

COSNENT ORDER CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Imtiaz Ilahi

Heard on: 21 October 2021

Chair: Ms Kathryn Douglas

Legal Adviser: Mr David Marshall

Outcome: Consent Order approved

1. The Chair considered a draft consent order signed by Mr Ilahi on 08 October 2021. The matter was listed to be considered on the basis of documents only. Neither Mr Ilahi nor ACCA was present or represented.

BACKGROUND AND ADMISSIONS

2. The Chair considered a main bundle of documents consisting of 73 pages and a notice of hearing (one page).
3. Mr Ilahi has been a Member of ACCA since 1995 and a Fellow since 2000. He has held a practising certificate since 2001. He is the principal and director of Midland Accountants Ltd ('the Firm'). He is the Firm's Money Laundering Reporting Officer for the purposes of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
4. In May 2021 ACCA undertook a monitoring visit on the Firm in relation to its Money Laundering procedures. This resulted in a number of allegations to be referred to the Disciplinary Committee. Mr Ilahi admitted the allegations as follows:

Imtiaz Ilahi, an ACCA member and the Money Laundering Reporting Officer and principal of Midland Accountants Limited ("the Firm") admits the following:

Allegation 1

From 26 June 2017 to 22 June 2021, Imtiaz Ilahi failed on behalf of the Firm to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in that he did not:

- (a) Put in place adequate steps to identify and assess the risks of money laundering and terrorist financing contrary to Regulation 18;*
- (b) Establish and maintain policies, controls and procedures to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken by the relevant person contrary to Regulation 19; and*
- (c) Take appropriate measures to ensure that relevant employees were given regular training in how to recognise and deal with transactions and other activities which may be related to money laundering or terrorist financing contrary to Regulation 24.*

Allegation 2

By reason of the conduct set out in allegation 1, Imtiaz Ilahi failed to comply with Section B2 of ACCA's Code of Ethics and Conduct (Anti-Money Laundering) (as applicable from 2017 to 2021).

Allegation 3

By reason of the conduct set out at allegations 1 and 2 above, Imtiaz Ilahi is guilty of misconduct pursuant to bye-law 8(a)(i).

DECISION AND REASONS

5. The Chair was satisfied that there was a signed draft order setting out all the required matters and that Mr Ilahi had been given proper notice of consideration of the proposed order.
6. The Chair was satisfied that there was a case to answer and that the investigating officer had carried out an appropriate and thorough investigation. She was satisfied that it was appropriate to deal with the matter by way of a consent order rather than in a public hearing. While it was in the public interest to mark the admitted misconduct, public concern about this case

would not be so great that a full public hearing was required.

7. The Chair considered whether it was more likely than not that if the matter went to a hearing, the admitted breaches would result in exclusion from membership. It was important to note that Mr Ilahi was not accused of money laundering. The allegations related to anti-money laundering procedures. The Chair took account of the mitigating and aggravating factors set out in the draft consent order bundle. The breaches had been sufficiently rectified. The disregard of procedures was a serious matter but not fundamentally incompatible with continued membership. The agreed sanctions were appropriate and proportionate.
8. The Chair concluded that the matters alleged, while serious, were not sufficiently serious to be likely to lead to a sanction of exclusion.
9. The Chair considered the draft carefully but did not consider that any amendments were required.

COSTS

10. The Chair considered that ACCA was entitled to its costs in principle and that the amount claimed, which was agreed, was reasonable.
11. Accordingly, the Chair approved the attached consent order in full. In summary:

Mr Ilahi shall:

- (a) Be severely reprimanded;
- (b) Pay a fine to ACCA of £6,000; and
- (c) Pay costs to ACCA in the sum of £487.50.

Kathryn Douglas
Chair
21 October 2021