

CONSENT ORDER CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Miss Sophie Lin

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 Miss Lin on 06 October 2021. The matter was listed to be considered on the basis of documents only. Neither Miss Lin nor ACCA was present or represented.

BACKGROUND AND ADMISSIONS

2. The Chair considered a main bundle of documents consisting of 394 pages and a notice of hearing (one page).
3. Miss Lin has been a Member of ACCA since 2010 and a Fellow since 2015. She has held a practising certificate since 2014. She is the director of TB Accountants & OC Ltd ('the Firm'). She is consequently the Firm's Money Laundering Supervision Officer for the purposes of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
4. In March 2020 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. Miss Lin admitted the allegations which were as follows:

ALLEGATIONS

1. *It is alleged that Miss Sophie Lin, Director of TB Accountants & OC Ltd (“the firm”):*
 - a. *On dates between 26 June 2017 and 22 June 2021, failed to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 in relation to practice conducted in the firm in that she:*
 - i. *Had not conducted and documented a firm-wide risk assessment, contrary to Regulation 18;*
 - ii. *Did not put in place adequate steps to ensure the firm had in place a dedicated policies and procedures document outlining the firm’s anti-money laundering systems and controls, contrary to Regulation 19;*
 - iii. *Ensure that internal controls were put in place within the firm, contrary to Regulation 21;*
 - iv. *Did not take adequate steps to ensure the firm had in place formal customer due diligence processes, contrary to Regulations 27 – 32;*
 - v. *Did not take adequate steps to ensure the firm had in place formal enhanced customer due diligence processes, contrary to Regulations 33 – 36.*
 - b. *Her conduct in respect of 1a above was:*
 - i. *Contrary to Section B2 of ACCA’s Code of Ethics and Conduct (Anti-money laundering) [as applicable between 2017 and 2021];*
 - ii. *Contrary to Subsection 113 of ACCA’s Code of Ethics and Conduct (the Fundamental Principle of Professional Competence and Due Care) [as applicable between 2017 and 2021];*
 - iii. *Contrary to Subsection 113 of ACCA’s Code of Ethics and Conduct (the Fundamental Principle of Professional Competence and Due Care) [as applicable between 2017 and 2021];*
 - iv. *Contrary to Subsection 115 of ACCA’s Code of Ethics and Conduct*

(the Fundamental Principle of Professional Behaviour).

- c. *In light of any or all of the facts set out at Allegations 1a and 1b above, she is:*
- i. *Guilty of misconduct pursuant to bye-law 8(a)(i);*
 - ii. *Liable to disciplinary action pursuant to bye-law 8(a)(iii).*

DECISION AND REASONS

5. The Chair was satisfied that there was a signed draft order setting out all the required matters and that Miss Lin 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 Miss Lin 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:

Miss Lin shall:

- (a) Be severely reprimanded;
- (b) Pay a fine to ACCA of £7,000; and
- (c) Pay costs to ACCA in the sum of £1,069.50.

Kathryn Douglas

Chair

21 October 2021