

**APPLICATION ON PAPERS
CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED
CERTIFIED ACCOUNTANTS**

REASONS FOR DECISION

In the matter of: Mrs Nichola Louise Hagans

Considered on: Thursday, 06 January 2022

Chair: HH Suzan Matthews QC

Legal Adviser: Mr Richard Ferry-Swainson

Summary: Consent Order for Reprimand, a fine and costs approved

INTRODUCTION

1. The Chair considered a draft Consent Order in respect of Mrs Hagans. The matter was listed to be considered on the basis of documents only. Neither Mrs Hagans nor ACCA were present or represented.
2. The Chair had before them the draft Consent Order, dated 14 December 2021, signed by Mrs Hagans and a signatory on behalf of ACCA, together with supporting documents in a bundle numbered 1 to 84. In addition, there was a service bundle numbered 1 to 7.

SERVICE

3. The Chair was satisfied that Mrs Hagans had been properly notified of the meeting by an email dated 04 January 2022.

BACKGROUND

4. It was alleged by ACCA, and Mrs Hagans admitted, that she was liable to disciplinary action on the basis of the following Allegations:

1. On dates between 31 August 2018 - 01 December 2020, Mrs Nichola

Louise Hagans, whilst not holding an ACCA practising certificate:

- a. Failed to register for anti-money laundering ("AML") supervision her firm, Hagans Accounting & Finance Limited (previously, Hagans Accounting & Finance Services Limited), contrary to section 130 of ACCA's Code of Ethics and Conduct (the Fundamental Principle of Professional Competence and Due Care), as applicable in 2018 and r.113.1 A2 of ACCA's Code of Ethics and Conduct (the Fundamental Principle of Professional Competence and Due Care), as applicable between 2019 - 2020.
 - b. Failed to comply with the laws and regulations of conducting accountancy practices, contrary to section 150 of ACCA's Code of Ethics and Conduct (the Fundamental Principle of Professional Behaviour), as applicable in 2018 and r.115.1 of ACCA's Code of Ethics and Conduct (the Fundamental Principle of Professional Behaviour), as applicable between 2019-2020.
 - c. In light of all the facts set out at Allegations 1(a) and 1(b) above, Mrs Nichola Louise Hagans is guilty of misconduct pursuant to byelaw 8(a)(i).
5. The details were set out in the attached draft Consent Order. ACCA's Investigating Officer and Mrs Hagans had agreed the form of order which proposed a reprimand, a fine and an order for costs.

DECISION AND REASONS

6. In accordance with Regulation 8 of The Chartered Certified Accountants' Complaints and Disciplinary Regulations 2014, as amended, the Chair has the power to approve or reject the draft Consent Order or to recommend amendments. The Chair can only reject a signed draft Consent Order if they are of the view that the admitted breaches would more likely than not result in exclusion from membership.
7. The Chair was satisfied that there was a case to answer and that it was appropriate to deal with the complaint by way of a Consent Order. The Chair was also satisfied that the Investigating Officer had followed the correct procedures.
8. The Chair considered the bundle of evidence and, on the basis of Mrs Hagans' admissions, found the facts proved. They were satisfied that the admitted facts and Mrs Hagans' actions meant that she was guilty of misconduct pursuant to byelaw 8(a)(i). It was conduct which brought discredit upon herself, ACCA and the profession.

9. Mrs Hagans is a member of ACCA, having joined in December 2015.
10. On 07 December 2020, ACCA's Authorisations Department made a referral to ACCA's Investigations Department regarding Mrs Hagans, noting that between 31 August 2018 - 01 December 2020, neither she nor her firm, Hagans Accounting & Finance Limited, had been registered for AML supervision.
11. ACCA's Code of Ethics and Conduct requires members to maintain a continuing awareness and an understanding of relevant technical, professional and business developments. This includes compliance with AML requirements and registering for AML supervision with HMRC or ACCA.
12. Additionally, members shall comply with the principle of professional behaviour which requires an accountant to comply with relevant laws and regulations and to avoid conduct which might discredit the profession. This includes compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
13. On 02 March 2021, ACCA's Investigations Department wrote to Mrs Hagans to request a written response to the allegations.
14. On 23 March 2021, Mrs Hagans provided her response to ACCA, explaining that she had been unaware that she had been providing services which required her to hold an ACCA practising certificate and of the need to register for AML supervision.
15. On 02 December 2020, Mrs Hagans regularised her position by registering her firm with ACCA and being supervised by ACCA for AML purposes.
16. The Chair noted the agreed aggravating and mitigating factors as set out in the Consent Order. In particular, the Chair noted that Mrs Hagans had: a previous good record with no complaint or disciplinary history; fully co-operated with the investigation and regulatory process; expressed remorse for her actions; and taken remedial action and is now supervised for AML purposes. The Chair also noted that there was no evidence to suggest Mrs Hagans' inaction had been deliberate or dishonest.
17. In all the circumstances, and following ACCA's Guidance on sanctions, the Chair was satisfied that the sanction of reprimand, together with a fine, was appropriate in this case and that exclusion would be disproportionate. Mrs Hagans had admitted her failings, shown insight and remorse and taken steps to ensure such failings would not be repeated.

18. The order for costs for this Consent Order appeared appropriate.
19. Accordingly, the Chair approved the attached Consent Order. In summary:
 - a. Mrs Hagans shall be reprimanded; and
 - b. Mrs Hagans shall pay a fine of £1,075; and
 - c. Mrs Hagans shall pay costs of £1,184 to ACCA.

HH Matthews QC
Chair
06 January 2022