

## CONSENT ORDERS HEARING

### CONSENT ORDERS COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

#### REASONS FOR DECISION

<b>In the matter of:</b>	<b>Miss Irene Suan Sim Lim</b>
<b>Heard on:</b>	<b>Friday, 11 November 2022</b>
<b>Location:</b>	<b>Remotely via Microsoft Teams</b>
<b>Chair:</b>	<b>Mrs Helen Carter-Shaw</b>
<b>Legal Adviser:</b>	<b>Mr Robin Havard</b>
<b>Summary:</b>	<b>Severe Reprimand and fine of £1,750 Costs payable to ACCA of £600.</b>

#### CONSTITUTION OF THE COMMITTEE

1. A Consent Order is made on the order of the Chair under the relevant regulations.

#### INTRODUCTION

2. The Chair had considered a draft Consent Order signed on 13 September 2022 by Miss Lim and a signatory on behalf of ACCA, together with supporting documents in a bundle numbering pages 1 to 165.
3. When reaching her decision, the Chair had been referred by the Legal Adviser to the requirements of Regulation 8 of the Complaints and Disciplinary Regulations 2014 (as amended) ("CDR8") and had accepted his advice. The Chair had also taken account of the content of ACCA's documents entitled "Consent Orders Guidance" and "Consent Orders Guidance FAQs".

#### ACCA



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4. The Chair understood that Miss Lim was aware of the terms of the draft Consent Order and that it was being considered today.
5. The Chair also understood that Miss Lim was aware that she could withdraw her agreement to the signed draft consent order by confirming the withdrawal in writing. No such withdrawal had been received.

## **ALLEGATIONS**

### **Allegation 1**

Miss Irene Suan Sim Lim breached the Global Practising Regulations (as applicable from 2016 to 2022) by virtue of the following:

- a. Between 13 December 2016 and 06 September 2022, Miss Lim has been carrying on public practice without holding a valid ACCA practising certificate, contrary to Regulation 3(1)(a) of the Global Practising Regulations 2003 (as applicable from 2016 to 2022).
- b. Between 13 December 2016 and 06 September 2022, Miss Lim has held rights which in effect put her in position of a principal (25% - 75% or more shares) of KENSINGTON CONSULTANCY (UK) LIMITED, a firm which carried on public practice, without holding a valid ACCA practising certificate, contrary to Regulation 3(2)(b) of Global Practising Regulations 2003 (as applicable from 2016 to 2022).
- c. Between 13 June 2017 and 06 September 2022, Miss Lim was a director of KENSINGTON CONSULTANCY (UK) LIMITED, a firm which carried on public practice, without holding a valid ACCA practising certificate, contrary to Regulation 3(2)(a) of the Global Practising Regulations 2003 (as applicable from 2017 to 2022).

## **Allegation 2**

Between 26 June 2017 and 17 July 2022, Miss Irene Suan Sim Lim provided accountancy services within the terms of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 without having registered with a supervisory authority for monitoring purposes, contrary to Regulation 3(2) of Annex 1 of the Global Practising Regulations 2003 (as applicable from 2017 to 2022).

## **Allegation 3**

- a. Between 23 December 2017 and 21 December 2021, Miss Irene Suan Sim Lim submitted online annual CPD returns to ACCA as further detailed in Schedule 1, in which she declared that she had *“not engaged in public practice (as defined by The Chartered Certified Accountants’ Global Practising Regulations 3 and 4), without holding an ACCA practising certificate...”*
- b. Miss Irene Suan Sim Lim’s conduct at allegation 3a) above, was reckless in that she did not have sufficient regard to the declaration she gave when she wrongly confirmed that she had not carried on public practice activities without holding a practising certificate (as per Global Practising Regulations 3 and 4).

## **Allegation 4**

Miss Irene Suan Sim Lim is guilty of misconduct in respect of the matters set out at allegations 1a) – c), 2 and 3a) – b) above, pursuant to bye-law 8(a)(i).

## Schedule 1

<b>Description</b>	<b>Date of submission</b>
CPD return 2017	23 December 2017
CPD return 2018	22 December 2018
CPD return 2019	23 December 2019
CPD return 2020	17 December 2020
CPD return 2021	14 December 2021

### **DECISION ON FACTS**

6. The Chair noted that the following summary of the facts were agreed and therefore adopted them as her findings of fact.
7. On 18 February 2022, an internal complaint was raised against Miss Irene Suan Sim Lim as it appeared that she was carrying on public practice activities whilst not holding an ACCA practising certificate.
8. A search of Miss Lim's accounting activities and that of the firm, KENSINGTON CONSULTANCY (UK) LIMITED revealed that the firm was incorporated on 01 December 2016. The nature of business carried out by the firm included, "69203 - Tax consultancy".
9. Miss Lim held shares in the firm which in effect put her in position of principal and she was appointed as director on 12 June 2017. Her occupation was listed as an "accountant".
10. The firm's website and testimonials referred to the firm offering "tax advisory services" and "tailored tax... and accountancy advice". Further, in her correspondence with ACCA between 20 December 2021 to 5 January 2022, Miss Lim stated that she "*prepare[s] and submit[s] tax returns for landlord clients*". Miss Lim also stated that she was "*not informed by HMRC that [she]*

*needed to register for AML supervision separately. [Her] understanding was that having registered as a tax agent with HMRC meant that HMRC is the supervision body of the company”.*

11. In an email dated 30 March 2022, Miss Lim stated that her “*sole income is from tax returns work*”.
12. On 31 July 2022, Miss Lim responded to the Investigations Officer’s correspondence regarding the complaint investigation. She confirmed that she did “*not sign off accounts or reports on accounts, or conduct audit work. [She] only prepared and submitted tax returns for landlord clients*”. Miss Lim stated that her failure to obtain an ACCA practising certificate was a misunderstanding on her part as to the fact that tax advisory work and/or the preparation and submission of tax returns constituted public practice. Miss Lim submitted an application for an ACCA practising certificate on 13 October 2021.
13. With regards to failure to obtain AML supervision, Miss Lim explained that she was “*not aware and was not informed by HMRC that [she] needed to register for AML supervision separately when [she] registered as tax agent with HMRC. As such the firm was not supervised for AML*”. She took steps to rectify her position and paid for AML supervision with HMRC on 18 July 2022.
14. In terms of the public practice declarations within the annual CPD returns, Miss Lim confirmed that she “*was not aware that [she] needed to hold an ACCA practising certificate to prepare and to submit tax returns*” and that her failure or delay in applying for an ACCA practising certificate was an oversight.
15. Ms Lim provided proof of the firm’s professional indemnity insurance covering a period from 25 July 2019 to 25 July 2023.
16. Miss Lim was issued with an ACCA practising certificate on 07 September 2022.

## **DECISION ON ALLEGATIONS AND REASONS**

17. In accordance with CDR8, 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 she is of the view that the admitted breaches would more likely than not result in exclusion from membership.
18. 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 considered that the Investigating Officer had followed the correct procedure.
19. The Chair considered the bundle of evidence and, on the basis of the admissions of the allegations by Miss Lim, found the facts of the allegations proved. She considered that the admitted facts and Miss Lim's actions amounted to misconduct in that they brought discredit to her, the Association, and the accountancy profession. They therefore justified disciplinary action under bye-law 8(a)(i).

## **SANCTION AND REASONS**

20. In deciding whether to approve the proposed sanction of a severe reprimand together with a fine of £1,750, and for Miss Lim to pay ACCA's costs in the sum of £600, the Chair had considered the Guidance to Disciplinary Sanctions ("the Guidance"), including the key principles relating to the public interest, namely: the protection of members of the public; the maintenance of public confidence in the profession and in ACCA, and the need to uphold proper standards of conduct and performance. The Chair also considered whether the proposed sanction was appropriate, proportionate, and sufficient.
21. In reaching her decision, the Chair had noted, and found, the following aggravating features, as identified by ACCA:
  - The length of time that Miss Lim has undertaken public practice without

holding an ACCA practising certificate and without being registered for AML supervision.

- The number of incorrectly signed annual CPD declarations submitted by Miss Lim to ACCA.

22. In deciding that a severe reprimand and a financial penalty were, together, the most suitable sanction, the Chair had considered paragraphs C4.1 to C4.5 of ACCA's Guidance and the following mitigating factors that had been identified:

- Miss Lim has been a member of ACCA since 31 December 2009 and has a previous good record with no previous complaint or disciplinary history.
- Miss Lim took prompt remedial action by registering for AML supervision with HMRC and applying for an ACCA practising certificate.
- Miss Lim was issued with an ACCA practising certificate on 07 September 2022.
- Miss Lim has admitted her conduct and expressed genuine remorse.

23. The Chair considered that both the aggravating and mitigating features identified by ACCA were supported by documentary evidence and were relevant.

24. In the Chair's judgement, the conduct was such that the public interest would not be served by making no order, nor would an admonishment or a reprimand alone adequately reflect the seriousness of Miss Lim's conduct. When considering the criteria set out in the Guidance, the Chair took into consideration the fact that the non-compliance could not be described as short-term. However, once detected, the failure was rectified immediately, and the necessary improvements were implemented promptly.

25. Therefore, the Chair concluded that it would be proportionate and sufficient to impose a severe reprimand together with a financial penalty of £1,750, which was linked to the amount Ms Lim would have had to pay for AML supervision,

to reflect the seriousness of the findings against her and that exclusion of Miss Lim from the register would be a disproportionate outcome.

### **COSTS AND REASONS**

26. ACCA was entitled to its costs in bringing these proceedings. The claim for costs in the sum of £600, which had been agreed by Miss Lim, appeared appropriate.

### **ORDER**

27. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
- a. Miss Lim shall be severely reprimanded and ordered to pay a fine of £1,750; and
  - b. Miss Lim shall pay costs of £600 to ACCA.

**Mrs Helen Carter-Shaw**  
**Chair**  
**11 November 2022**