

APPLICATION ON PAPERS

**CONSENT ORDERS CHAIR OF THE ASSOCIATION OF
CHARTERED CERTIFIED ACCOUNTANTS****REASONS FOR DECISION**

In the matter of: Mr Mark Gregory Parsons

Considered on: Monday, 03 April 2023

Location: Meeting conducted remotely

Chair: Ms Valerie Paterson

Legal Adviser: Mr David Mason

Summary: Consent Order for Severe Reprimand and costs of £500 approved.

INTRODUCTION

1. On 03 April 2023, the Chair sitting alone pursuant to Regulation 8(8) of the Complaint and Disciplinary Rules 2014(12) (CDR), considered a Consent Order (CO) agreed between ACCA and Mr Mark Gregory Parsons. Under the terms of this CO, Mr Parsons admits the Allegations made against him, agrees to accept a sanction of severe reprimand and to pay costs to ACCA in the amount of £500.

ACCA

+44 (0)20 7059 5000



info@accaglobal.com



www.accaglobal.com



The Adelphi 1/11 John Adam Street London WC2N 6AU United Kingdom

DOCUMENTATION

2. In considering this the Chair had before them the following documentation:
 - A Consent Order bundle of 69 pages.
 - ACCA Consent Orders Guidance.
 - ACCA Consent Orders Guidance FAQs.
 - ACCA Guidance for Disciplinary Sanctions.

BASIS OF CONSIDERATION OF A CONSENT ORDER BY A CHAIR

3. ACCA Consent Order Guidance lays out the basis for consideration of a CO by the Chair.
4. The Chair has the power to approve any signed draft CO setting out terms as to sanction and costs against the relevant person which a Disciplinary Committee would have the power to make, except for a sanction of exclusion from membership or removal from the student register or affiliate register as appropriate. The Chair must before doing so be satisfied that the Investigation Officer has carried out all necessary investigations.
5. The Chair shall only reject the signed draft CO if they are of the view that the admitted breaches would more likely than not result in exclusion from membership or removal from the student register or affiliate register as appropriate.
6. If the Chair is satisfied that it is appropriate to deal with the complaint by way of CO but wishes the terms of the draft CO to be amended, the Chair has the power to recommend amendments to the signed draft CO to ACCA and the relevant person, and to subsequently approve any amended order agreed by those parties.
7. If the signed draft CO is approved by the Chair, it constitutes a formal finding and order.

BACKGROUND

8. ACCA provided the following background:

3. *The Investigating Officers have conducted their investigation into the Allegations against Mr Parsons in accordance with Regulation 8(1)(a) of the Complaints and Disciplinary Regulations (“the CDR”) and are satisfied that:*

3.1. *they have conducted the appropriate level of investigation, as evidenced by the enclosed evidence bundle (pages 7 - 69), and determined that there is a case to answer against Mr Parsons and there is a real prospect of a reasonable tribunal finding the Allegations proved; and*

3.2. *the proposed Allegations would be unlikely to result in exclusion from membership.*

4. *The relevant facts, failings and/or breaches have been agreed between the parties and are set out in the detailed Allegations below together with the proposed sanction and costs. It should be noted the complaints in this matter were included in a previous Consent Order report along with other complaints.*

Upon review, ACCA has concluded that the Allegations below should in fairness be dealt with separately from the other complaints, as they have no connection with the other allegations (which were subject to a separate investigation). ACCA accepts the Allegations in this case are less serious and are unlikely to result in Mr Parsons being excluded.

5. *A summary of key facts is set out below:*

5.1. *On or about 05 August 2021, ACCA became aware that Mr Parsons had been disciplined by ICAEW on 16 July 2021. A copy of ICAEW’s published Investigation Committee decision can be found on page 12. It states:*

“With the agreement of Mr Mark Gregory Parsons of Nuneaton, United Kingdom the Investigation Committee made an order that he be reprimanded, fined £1,400 and pay costs of £1,525 with respect to a complaint that:

Mr Mark Gregory Parsons ACA, on behalf of his firm, “X Limited, failed to comply with an undertaking he gave to the Audit

Registration Committee, which came into effect on 09 January 2015, to obtain an external hot file review and submit the results of that review to ICAEW within one month of its completion in respect of the audit of “Y” Ltd for the year ended 31 December 2017, signed on 26 September 2018.”

- 5.2. *ACCA has no record of Mr Parsons notifying ACCA of ICAEW’s disciplinary finding dated 16 July 2021.*
- 5.3. *ICAEW stated that Mr Parsons was informed by email on 20 February 2020 that they may copy some or all correspondence in respect of the matter to third parties, for example, other regulators. However, ICAEW did not expressly refer to ACCA, despite Mr Parsons saying subsequently that he believed ICAEW would notify ACCA of the complaint.*
- 5.4. *ACCA’s records show that Mr Parsons then submitted his annual 2021 CPD declaration on 24 December 2021.*
- 5.5. *Mr Parsons was reminded of his obligation to notify ACCA of such matters in his annual CPD declaration. The 2021 Declaration contained a reminder about Member’s obligations to notify ACCA of matters which may engage byelaw 8 and it directs members to Guidance which specifically referenced “Disciplinary action against you by another professional body”.*
- 5.6. *On 25 May 2022, ACCA’s Investigating Officer wrote to Mr Parsons regarding this matter and sought his response to various questions. Mr Parsons responded on the same day. Though confirming the disciplinary action taken by ICAEW, Mr Parsons said he understood that ICAEW would be informing ACCA of the disciplinary finding and was therefore unaware he had his own duty to do so. Mr Parsons explained some of the background to ICAEW’s complaint and confirmed he had paid in full ICAEW’s fine and costs. He therefore regarded the matter as closed.*
- 5.7. *On 11 December 2022, ACCA’s Investigating Officer proposed to Mr Parsons that the matter be disposed of via consent.*

5.8. *On 09 January 2023, Mr Parsons provided his agreement for the matter to be disposed of via consent.*

ALLEGATIONS

9. Mr Parsons admits the following Allegations:

Allegation 1

- a. *Pursuant to ACCA byelaw 8(a)(vi), he has been disciplined by another professional body, namely ICAEW, on 16 July 2021.*
- b. *Between 16 July 2021 and 25 May 2022, contrary to ACCA byelaw 10(b), he has failed to bring promptly, or at all, to the attention of ACCA that he may have become liable to disciplinary action by virtue of the matter referred to in Allegation 1(a) above.*

Allegation 2

By reason of the conduct in Allegation 1 above, Mr Parsons is guilty of misconduct pursuant to ACCA byelaw 8(a)(i).

Mr Parsons shall:

- be severely reprimanded;
- pay costs to ACCA of £ 500.00.

LEGAL ADVICE

10. The Legal Adviser advised that the Chair should consider first whether the Investigating Officer had carried out an appropriate investigation and should then consider whether Mr Parsons had a case to answer which showed a real prospect of the Allegations being found proved. They advised that the Chair should then apply the test set out in CDR Regulation 8(12) that the Consent Order may only be rejected by a Chair if the '*...admitted breaches would more likely than not result in exclusion from membership ...*'

CONSIDERATION OF A CONSENT ORDER

11. The Chair finds that ACCA's summary of the background and Mr Parson's admissions are consistent with the facts before them and that there is a case to answer. The Chair has taken into account that Mr Parsons was made subject to a Consent Order on 28 November 2017 for failing to notify ACCA that a company with which he was associated had been liquidated.
12. The Chair considers that the investigation carried out by the Investigating Officer is appropriate and is satisfied that Mr Parsons has a case to answer and that there is a real prospect of the Allegations being found proved.
13. The Chair considers that the Allegations if found proved would not lead to Mr Parson's removal from membership. They have taken into account the level of seriousness of the Allegations and the risk to the public and the public interest in maintaining standards in the profession and in protecting its reputation. The Chair has concluded that the admissions made by Mr Parsons in relation to the Allegations and his acceptance of a sanction of severe reprimand would lead a Disciplinary Committee to conclude that removal from membership is not required in this case. They are satisfied therefore that the test set out in CDR Regulation 8(12) is satisfied in that it is not more likely than not that the Allegations would result in Mr Parson's removal from membership.

SANCTION

14. The Chair concludes that a sanction of severe reprimand is appropriate, sufficient and proportionate in this case.

COSTS

15. The Chair notes that a costs award against Mr Parsons in the sum of £500.00 has been agreed. This amount appears to be fair and reasonable.
16. The Chair approves the draft Consent Order.

Ms Valerie Paterson
Chair
03 April 2023