

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

REASONS FOR DECISION

In the matter of:	Mrs Leanne Marie Hatch
Considered on:	Tuesday, 28 February 2023
Location:	Remotely via Microsoft Teams
Chair:	HH Suzan Matthews KC
Legal Adviser:	Mrs Sobia Hussain
Outcome:	Consent Order Approved Member Severely Reprimanded Costs imposed of £1,084.00 Fine imposed of £1,920.00

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 by a signatory on behalf of ACCA and Mrs Hatch, dated 31 January 2023 together with supporting documents in a bundle numbering pages 1 to 197 and a simple and detailed costs schedule.

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3. When reaching their 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 their advice. The Chair had also taken account of the content of ACCA's documents entitled "Consent Orders Guidance" and "Consent Orders Guidance FAQs".
4. The Chair was satisfied that Mrs Hatch was aware of the terms of the draft Consent Order and that it was being considered today.
5. The Chair was also satisfied that Mrs Hatch was aware that she could withdraw agreement to the signed draft Consent Order by confirming the withdrawal in writing. No such withdrawal had been received.

ALLEGATIONS

Mrs Hatch admitted the following:

Allegation 1

Mrs Leanne Marie Hatch, an ACCA member, breached the Global Practising Regulations (as applicable from 2018 to 2022) by virtue of the following:

- a) Between 10 September 2018 - 26 January 2023 she 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 2018 to 2022).
- b) Between 10 September 2018 - 26 January 2023, she has been a Director of Pattinsons Business Services Ltd, 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).
- c) Between 11 February 2018 - 26 January 2023 she has held rights (more than 25% shares) which in effect put her in position of a principal in Pattinsons Business Services Ltd, 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 2018 to 2022).

Allegation 2

- a) Between, 11 February 2018 - 20 January 2021, Mrs Hatch 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) Mrs Hatch's conduct at allegation 2a) 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 3

In light of any or all of the facts set out at allegations 1a -c), and 2a - b) above, Mrs Hatch is guilty of misconduct pursuant to byelaw 8(a)(i).

Schedule 1	
CPD return - public practice declaration	Date of submission
2017	11 February 2018
2018	17 January 2019
2019	16 December 2019
2020	20 January 2021

DECISION ON FACTS

6. The following facts were agreed by Mrs Hatch and ACCA.
7. The Investigating Officer had conducted an investigation into the allegations against Mrs Hatch in accordance with CDR8(1)(a) and it was submitted that:
- a) They had conducted the appropriate level of investigation as evidenced by the enclosed evidence bundle and determined that there was a case to answer against

Mrs Hatch and that there was a real prospect of a reasonable tribunal finding the allegations proved; and

- b) The proposed allegations were unlikely to result in exclusion from membership.
8. The relevant facts, failings and/or breaches had been agreed between the parties and were set out in the detailed allegations above together with the proposed sanction and costs.
9. A summary of key facts were as follows:
- 9.1 On 11 May 2021, an internal complaint was raised against Mrs Hatch as it appeared that she was carrying on public practice whilst not holding an ACCA practising certificate.
 - 9.2 A search of Companies House revealed that since 11 February 2018, Mrs Hatch has held more than 25% shares in Pattinsons Business Services Ltd ("the firm"). She has been a director of the firm since 10 September 2018. The firm's website, Google and LinkedIn profiles confirmed that it offered a range of accountancy services including, *"taxation planning and compliance"* and *"accounts preparation"*. A search of the Financial Analysis Made Easy ("FAME") website and a related ACCA investigation revealed unaudited accounts had been filed for a number of limited companies and included the details of the firm.
 - 9.3 On 20 January 2022, Mrs Hatch responded to the investigation explaining that with regards to the work she completes she, *"review[s] accounts, VAT returns and management accounts prepared by other members of staff before they are then reviewed by the senior director. I also allocate work to staff members, train members of staff and complete appraisals"*. (sic) She explained that her *"understanding was that as long as I did not say the firm is associated with ACCA in any way I was not operating in "public practice" only as an unregulated accountancy firm. The ACCA logo is not on any of our letterheads, newsletters or website"*. (sic) Upon consideration of ACCA's Global Practising Regulations, Mrs Hatch accepted that she had been in breach of ACCA's regulations. She submitted an application for an ACCA practising certificate shortly after. Mrs Hatch provided proof of the firm's PII cover and confirmed supervision for AML purposes with AAT.

- 9.4 On 25 July 2022, Mrs Hatch submitted a further response in which she stated, that she had not read the Public Practice Declaration Guidance and Factsheet, *"I did not read the fact sheets until I received the first email from yourself. I was confident I was acting correctly and as I had completed my CPD I didn't take the time to read the statements properly a mistake which I will not make again"*. (sic)
- 9.5 On 26 January 2023, the Admissions and Licensing Committee considered Mrs Hatch's waiver application and decided that she should be granted a practising certificate. Mrs Hatch has held an ACCA practising certificate since 27 January 2023.

DECISION ON ALLEGATIONS AND REASONS

10. In accordance with Regulation 8 of the CDR, 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.
11. 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.
12. The Chair considered all of the evidence. Based on the documentary evidence, including the finding of the ACCA and the sanction imposed, together with the admission of the allegations by Mrs Hatch found the facts of the allegations proved. They considered that the admitted facts and Mrs Hatch's actions amounted to misconduct in that they brought discredit to Mrs Hatch, the Association and the accountancy profession. They therefore justified disciplinary action under byelaw 8(a)(i).

SANCTION AND REASONS

13. In deciding whether to approve the proposed sanction of a severe reprimand, the Chair had considered the Guidance to Disciplinary Sanctions ("the Guidance"). This included 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.

14. In reaching their decision, the Chair had noted, and accepted the following aggravating features as identified by ACCA:

- The length of time that Mrs Hatch has undertaken public practice without holding an ACCA practising certificate;
- The number of incorrectly signed annual CPD declarations submitted by Mrs Hatch to ACCA.

15. In deciding that a severe reprimand was the most suitable sanction, paragraphs C3.1 to C3.5 of ACCA's Guidance have been considered. The Chair had noted, and agreed with, the following mitigating factors identified by ACCA:

- Mrs Hatch has been a member of ACCA since 31 August 2011 and has a previous good record with no previous complaint or disciplinary history;
- Mrs Hatch has fully co-operated with the investigation and regulatory process;
- Mrs Hatch has admitted her conduct and expressed genuine remorse and taken steps to ensure no repetition;
- Mrs Hatch regularised her position and obtained an ACCA practising certificate on 27 January 2023;
- Mrs Hatch held a licence with AAT during the period that she was undertaking public practice without holding a practising certificate with ACCA;
- Mrs Hatch was supervised for AML purposes and the firm held PII throughout the period that she did not hold an ACCA practising certificate;
- Mrs Hatch had provided supportive references dated 05 October 2022 which had also been placed before the Applications and Licencing Committee in January 2023.

16. The Chair considered that both the aggravating and mitigating features identified by ACCA were supported by documentary evidence and were relevant.
17. In the Chair's view, the proved and admitted breaches were serious and the public interest would not be served by making no order, nor would an admonishment adequately reflect the seriousness of Mrs Hatch's conduct.
18. In all the circumstances, the Chair was satisfied that the sanction of severe reprimand coupled with a fine was appropriate, proportionate, and sufficient, and that removal of Mrs Hatch from the register would be a disproportionate outcome and that a Disciplinary Committee would be unlikely to remove her from the Register.

COSTS AND REASONS

19. ACCA was entitled to its costs in bringing these proceedings. The claim for costs in the sum of £1084.00, which had been agreed by Mrs Hatch, appeared appropriate on consideration of the costs schedules. The Chair noted that although Mrs Hatch had been invited to submit a Statement of Financial Position none was included in the papers.

ORDER

20. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
 - a. Mrs Hatch shall be severely reprimanded; and pay a fine of £1920.00
 - b. Mrs Hatch shall pay costs of £1084.00 to ACCA.

HH Suzan Matthews KC
Chair
28 February 2023