

APPLICATION ON PAPERS

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Mr Steven Francis Pound
Considered on:	Wednesday, 15 March 2023
Location:	Remotely conducted via Microsoft teams
Chair:	Mrs Wendy Yeadon
Legal Adviser:	Mrs Fiona Barnett
Persons present and capacity:	Miss Geraldine Murray, ACCA Hearings Officer
OUTCOME:	CONSENT ORDER APPROVED

BACKGROUND

1. Mr Pound's case comes before the Chair by virtue of a draft Consent Order that has been reached in this case between ACCA and Mr Pound. The Agreement sets out Mr Pound's full admissions to the facts of the charges and his acceptance that he is thereby guilty of misconduct.
2. It is further stated in the draft Consent Order that an appropriate sanction in this case would be a Severe Reprimand.
3. The draft Consent Order was signed by Mr Pound on 02 March 2023 and signed on the same date on behalf of ACCA. Neither ACCA nor Mr Pound have subsequently withdrawn their agreement to the draft Consent Order.
4. The Agreement between ACCA and Mr Pound, including ACCA's position on sanction, costs, and publicity, is set out in full below in the draft Consent Order, ending at paragraph 8.

UF7231660

MR STEVEN FRANCIS POUND FCCA

- and -

THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

Referral to Consent Orders Chair

Consent Order: Draft Agreement

The Association of Chartered Certified Accountants (ACCA) and Mr Steven Francis Pound (the Parties), agree as follows:

1. Mr Steven Francis Pound, an ACCA member, admits the following:

Allegation 1

Pursuant to byelaw 8(a)(vi), Mr Pound is liable to disciplinary action by virtue of having been disciplined by the Institute of Chartered Accountants in England and Wales (“ICAEW”) on 23 January 2023.

Allegation 2

a. Mr Pound, a holder of an ACCA Practising Certificate, failed to give written notice

forthwith to ACCA that he was the subject of a Solicitors Regulations Authority investigation in 2020, contrary to Global Practising Regulation 12(2)(f).

b. Mr Pound failed to promptly bring to the attention of ACCA that he might have become liable to disciplinary action by reason of the action taken by the Solicitor's Regulation Authority on 09 April 2021, contrary to byelaw 10(b).

c. By reason of the conduct set out in Allegations 2(a) and 2(b) above, Mr Pound is liable to disciplinary action pursuant to byelaw 8(a)(iii).

2. That Mr Steven Francis Pound shall:

a. be severely reprimanded; and

b. pay costs to ACCA in the sum of £ 500.00.

Signed Mr Steven Francis Pound

Dated 02/03/2023

Signed

Dated 02/03/2023

(For and on behalf of the ACCA)

If the Consent Orders Chair is satisfied it is appropriate to deal with the complaint by way of Consent Order and the signed draft Consent Order is approved, it constitutes a formal finding and order. The Consent Orders Chair has the power to recommend amendments to the signed draft Consent Order and to subsequently approve any amended order agreed by the Parties.

Publicity

All findings and orders of the Consent Orders Chair shall be published naming the relevant person, as soon as practicable, and in such manner as ACCA thinks fit.

Relevant Facts, Failings and/or Breaches

1. The Investigating Officer has conducted their investigation into the allegations against Mr Steven Francis Pound in accordance with Regulation 8(1)(a) of the Complaints and Disciplinary Regulations and is satisfied that:
 - a. They have conducted the appropriate level of investigation as evidenced by the enclosed evidence bundle, and determined that there is a case to answer against Mr Steven Francis Pound and there is a real prospect of a reasonable tribunal finding the allegations proved; and
 - b. The proposed allegations would be unlikely to result in exclusion from membership.
2. The relevant facts, failings and/or breaches have been agreed between the parties and are set out in the detailed allegations above together with the proposed sanction and costs.
3. A summary of key facts is set out below:
 - 3.1 On 05 September 1996, Mr Pound became a Member of ACCA (page 14).
 - 3.2 On 05 September 2001, Mr Pound became a Fellow of ACCA (page 14).
 - 3.3 On 23 March 2001, Mr Pound was issued with an ACCA practising certificate which he continues to hold (page 15).
 - 3.4 Mr Pound is a Director of Company A (page 18).
 - 3.5 Mr Pound failed to give written notice forthwith to ACCA that he was the subject of a Solicitors Regulation Authority (“SRA”) investigation in 2020.
 - 3.6 On 23 September 2020, a SRA Forensic Investigation officer wrote to Mr Pound and put him on notice that the SRA was investigating two Accountant’s Reports he had prepared for a client which failed to identify client account rule breaches (pages 32 – 48).
 - 3.7 On 09 April 2021, the SRA took regulatory action following the conclusion of its investigation. The SRA found that Mr Pound failed to exercise due care and skill in the preparation of two Accountant’s Reports. The SRA disqualified

Mr Pound from preparing further Accountant's Reports for the purposes of the SRA Accounts Rules (pages 23 - 26).

- On 15 April 2021, the SRA notified Mr Pound and his firm of its decision in writing (page 70). Mr Pound failed to promptly notify ACCA that he might have become liable to disciplinary action by reason the SRA's disqualification decision.
- On 13 May 2021, the SRA notified ACCA of this matter (pages 19 - 20).
- On 23 November 2021, ACCA's Professional Conduct Department wrote to Mr Pound regarding the SRA notification and asked why he had not complied with his notification obligations to ACCA (pages 71 – 74).
- On 29 November 2021, Mr Pound replied to ACCA (pages 75 - 84). In his letter, Mr Pound apologised and admitted that he did not notify ACCA (para 2.1 page 77), as his primary focus had been on dealing with the SRA investigation and therefore overlooked his notification obligations to ACCA.
- He also informed ACCA that his work on the case was the subject of an ICAEW's review as a result of the SRA's decision (para 1.2 page 75).
- As ICAEW were already investigating the SRA matter, on 08 September 2022 ACCA informed Mr Pound that its investigation would be deferred pending the outcome of ICAEW's investigation (page 109).
- On 06 February 2023, Mr Pound informed ACCA that he had agreed a Consent Order with ICAEW's Investigation Committee whereby on 23 January 2023 he was severely reprimanded, fined £12,250 and ordered to pay costs of £5,725 following the conclusion of its investigation into the SRA matters (page 110 -113).
- On 07 February 2023, ACCA proposed that the matter be disposed via a Consent Order following the conclusion of the ICAEW's investigation (pages 114 - 117).

- On 17 February 2023, Mr Pound agreed to dispose of the matter by a Consent Order. In his reply he also provided record [Private] and financial information (pages 118 - 143).

Sanction

The appropriate sanction is **severe reprimand** and for Mr Pound to pay ACCA's **costs** in the sum of £ 500.00.

4. In considering this to be the most appropriate sanction, ACCA's Guidance for Disciplinary Sanctions (Guidance) has been considered and particularly the key principles. One of the key principles is that of the public interest, which includes the following:

- Protection of members of the public;
- Maintenance of public confidence in the profession and in ACCA; and
- Declaring and upholding proper standards of conduct and performance.

5. Another key principle is that of proportionality, that is, balancing the member's own interests against the public interest. Further the aggravating and mitigating features of the case have been considered.

6. The **aggravating factor** is considered to be as follows:

- The conduct which led to Mr Pound being disciplined by ICAEW fell below the standards expected of ACCA members and his conduct has brought discredit upon himself, ACCA and the accountancy profession.

7. In deciding that a severe reprimand is the most suitable sanction, paragraphs C4.1 to C4.5 of ACCA's Guidance have been considered and the following **mitigating factors** have been noted:

- Mr Pound has been an ACCA member in continuous good standing for an extended period of time since 1996.

- Mr Pound has no previous complaint or disciplinary history.
 - [Private].
 - There is no evidence to suggest Mr Pound's failure to notify ACCA was a deliberate disregard of his professional duty to ACCA or dishonest.
 - The conduct is unlikely to be repeated in light of SRA and ICAEW findings as Mr Pound has shown insight by accepting the SRA's decision, ICAEW's Consent Order and this Consent Order.
 - Mr Pound has co-operated with ACCA's investigation in a timely and open manner.
8. ACCA has considered the other available sanctions and is of the view that they are not appropriate. A severe reprimand proportionately reflects Mr Pound's conduct and the public policy considerations which ACCA must consider in deciding on the appropriate sanction

CHAIR'S DECISION

5. In reaching their decision, the Chair had regard to the draft Consent Order set out above and the bundle of documents provided, which numbered 143 pages, (including the draft Consent Order). They also had regard to ACCA's Consent Orders Guidance, dated January 2021.
6. The Chair accepted the advice of the Legal Adviser.
7. The Chair bore in mind that, notwithstanding the parties having reached agreement on the above draft Consent Order, the final decision on whether the matter is appropriate to be dealt with by way of Consent Order is a matter for them to decide. They have the power to approve, reject or propose amendments to the draft Consent Order.
8. They first considered whether it is appropriate to deal with the case by way of a Consent Order in accordance with Regulation 8(1) of Complaints and Disciplinary Regulations 2014, (amended 01 January 2020). They were

satisfied that it is appropriate to deal with this matter by way of Consent Order. The matter has been investigated by ACCA's Investigation Officer, who concluded that there was a case to answer and a real prospect of a reasonable tribunal finding the matters alleged proved. The Investigation Officer was also satisfied, (and the Chair agrees), that the matters are unlikely to result in the exclusion of Mr Pound as a member of ACCA.

9. They next considered whether to approve the draft Consent Order. They considered the evidence and the facts of the case, as set out in the bundle of documents and the draft Consent Order. They are satisfied that Mr Pound admits the allegations. Further, the Chair agrees that his actions fell seriously below the standards expected of a member of ACCA. In summary, Mr Pound,
 - Failed to inform ACCA in writing forthwith that he was the subject of an investigation by the Solicitor's Regulation Authority, ("SRA").
 - Failed to promptly inform ACCA that he might have been liable to disciplinary action by virtue of action taken against him by the ACCA, and
 - Was disciplined by the Institute of Chartered Accountants of England and Wales by virtue of the action taken against him by the SRA.
10. The Chair agrees that this is sufficiently serious to amount to misconduct.
11. The Chair also had regard to ACCA's Guidance for Disciplinary Sanctions, (January 2020), and the aggravating and mitigating factors set out in the draft Consent Order. They considered the sanctions in order starting with the least serious. They agree with the aggravating and mitigating factors outlined in the draft order and agree that a Severe Reprimand is an appropriate and proportionate sanction to protect the public, to maintain confidence in the profession and to declare and uphold proper standards of conduct. They are satisfied that taking no action, or imposing an Admonishment or Reprimand would be insufficient to uphold the public interest.
12. The Chair therefore accepts the content of the draft Consent Order in its entirety, and approves the draft Consent Order.

COSTS

13. ACCA is entitled to claim costs. The Chair agrees with the proposal that Mr Pound should pay £500 to ACCA in costs.
14. Accordingly, The Chair approves the draft Consent Order, including the ancillary orders in relation to costs and publicity.

**Mrs Wendy Yeadon,
Chair,
15 March 2023**