

APPLICATION ON PAPERS

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Mr Sharjeel Ajaz
Considered on:	Friday, 09 February 2024
Location:	Remotely via Microsoft Teams
Chair:	Ms Ilana Tessler
Legal Adviser:	Mr Robin Havard
Summary	Reprimand Costs payable to ACCA - £1,530

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 by Mr Ajaz and a signatory on behalf of ACCA on 15 December 2023, included in a Bundle numbering pages 1 to 72.

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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".
4. The Chair understood that Mr Ajaz was aware of the terms of the draft Consent Order and that it was being considered today.
5. The Chair also understood that Mr Ajaz was aware that he could withdraw his agreement to the signed draft Consent Order by confirming the withdrawal in writing. No such withdrawal had been received.

Allegation 1

On dates between 26 June 2017 - 28 November 2021, Mr Sharjeel Ajaz, an ACCA student, 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 8(2)(j) of the Membership Regulations 2014 (as applicable in 2017 - 2021).

Allegation 2

In light of the facts set out at Allegation 1 above, Mr Ajaz is guilty of misconduct pursuant to bye-law 8(a)(i).

DECISION ON FACTS

6. The Chair noted from the report provided by ACCA that the following summary of the facts was not in dispute and therefore adopted them as her findings of fact.
7. Mr Ajaz had been a Student Member of ACCA since 17 February 2017.

8. In May 2022, a complaint referral was made to ACCA alleging that Mr Ajaz and/or the firm, Connexus Consultants & Co Ltd, was using ACCA's designatory letters and/or holding out to be in public practice.
9. The firm was incorporated on 11 November 2015. Mr Ajaz was Director and Shareholder of the firm.
10. On 17 June 2022, ACCA contacted Mr Ajaz regarding the complaint noting that there was evidence of his firm's website using the ACCA logo and holding itself out to be a Chartered Certified Accountant practice despite the fact that Mr Ajaz was a student and not a member of ACCA.
11. Mr Ajaz responded the same day confirming that he had updated his website to remove reference to ACCA and Chartered Certified Accountant and that services were reduced to bookkeeping only.
12. Further investigation was carried out and, on 22 June 2023, ACCA contacted Mr Ajaz noting that his occupation on Companies House records was an "accountant". The firm's website used the description "accounting professionals". The Twitter and LinkedIn profiles used the description "accounting ... tax planning" or "accounting, tax..." the speciality includes "accounting" and "professional accountant". A search of HMRC's Supervised Businesses list stated that the firm had been supervised for AML purposes since 29 November 2021.
13. On 31 July 2023, Mr Ajaz submitted his response to the investigation queries and confirmed that the firm offered bookkeeping and payroll services. He confirmed that he had not signed off accounts or conducted audit or taxation work. Mr Ajaz provided a copy of his current public liability insurance and confirmed that the firm was supervised by HMRC for AML purposes. The firm had not been supervised for AML purposes prior to 29 November 2021.

DECISION ON ALLEGATIONS AND REASONS

14. 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.
15. 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.
16. The Chair considered the Bundle of evidence and, on the basis of the admissions of the allegations by Mr Ajaz, found the facts of the allegations proved. The Chair was further satisfied that, with regard to Allegation 2, the facts of Allegation 1 brought discredit to Mr Ajaz, ACCA and the accountancy profession. It therefore amounted to misconduct under bye-law 8(a)(i).

SANCTION AND REASONS

17. In deciding whether to approve the proposed sanction of a reprimand, and for Mr Ajaz to pay ACCA's costs in the sum of £1,530, 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 considered whether the proposed sanction was appropriate, proportionate and sufficient.
18. In reaching her decision, the Chair had noted, and found, the following aggravating features, as identified by ACCA:
 - The length of time that Mr Ajaz has been providing accountancy services without AML supervision.
 - The potential risks arising from a failure to register for AML supervision.

- The length of time that Mr Ajaz and/or his firm were holding out as being in public practice.
19. In deciding that a reprimand was the most suitable sanction paragraphs C3.1 to C3.5 of ACCA's Guidance had been considered and the following mitigating factors had been noted:
- Mr Ajaz became an ACCA registered student on 17 February 2017 and had a previous good record with no previous complaint or disciplinary history.
 - Mr Ajaz had fully co-operated with the investigation and regulatory process.
 - Mr Ajaz had admitted his conduct.
 - The investigation had not found evidence suggesting Mr Ajaz's conduct was in deliberate disregard of his professional obligations.
 - There was no continuing risk to the public as Mr Ajaz was currently supervised by HMRC for AML purposes.
20. ACCA had considered the other available sanctions and was of the view that they were not appropriate. A reprimand proportionately reflected Mr Ajaz's conduct and the public policy considerations which ACCA must consider in deciding on the appropriate recommended sanction. This was a public interest sanction due to the misconduct bringing discredit to ACCA and the profession; and it conveyed a message of the importance of fundamental standards of professional conduct.
21. The Chair considered that both the aggravating and mitigating features identified by ACCA were supported by documentary evidence and were relevant.

22. In the Chair's judgement, the conduct was such that the public interest would not be served by making no order, and that a reprimand adequately reflected the seriousness of Mr Ajaz's conduct.
23. In conclusion, when considering the criteria set out in the Guidance, the Chair concluded that it would be appropriate, proportionate and sufficient to impose a reprimand to reflect the seriousness of the findings against Mr Ajaz.

COSTS AND REASONS

24. ACCA was entitled to its costs in bringing these proceedings. The claim for costs in the sum of £1,530, which had been agreed by Mr Ajaz, appeared appropriate.

ORDER

25. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
 - a. Mr Ajaz shall be reprimanded; and
 - b. Mr Ajaz shall pay costs of £1,530 to ACCA.

Ms Ilana Tessler
Chair
9 February 2024