

APPLICATION ON PAPERS

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Mrs Lisa Elizabeth Richards
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 - £1,340

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 23 January 2024 by both Mrs Lisa Elizabeth Richards and a signatory on behalf of ACCA, together with supporting documents in a Bundle (pages 1 to 41), a Detailed Costs Schedule (page 1) and a Simple Costs Schedule (page 1).

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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 Mrs Lisa Elizabeth Richards was aware of the terms of the draft Consent Order and that it was being considered today.
5. The Chair also understood that Mrs Lisa Elizabeth Richards 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

Pursuant to bye-law 8(a)(vi), Mrs Lisa Elizabeth Richards, an ACCA member, is liable to disciplinary action by virtue of action taken against her on 13 September 2022 by the ICAEW.

DECISION ON FACTS

6. The Chair noted that the following summary of the facts was agreed and therefore adopted them as her findings of fact.
7. Disciplinary action was taken against Mrs Richards by the ICAEW on 13 September 2022. The ICAEW Disciplinary Committee had found that, between 12 February 2014 and 14 October 2016, Mrs Richards had signed unqualified audit reports on behalf of firms, when the audits had not been conducted in accordance with all the requirements of the International Standard on Auditing (UK and Ireland). She was severely reprimanded and issued with a fine of £10,000.

8. Mrs Richards accepted the findings of the ICAEW Disciplinary Tribunal dated 13 September 2022, and settled the financial penalty and costs.
9. Additionally, Mrs Richards voluntarily relinquished her Responsible Individual ("RI") status and practising certificate with the ICAEW with effect from 31 December 2019.
10. Mrs Richards stated that she held an ICAEW practising certificate from April 2010 until 31 December 2019. During this time, her *"files were selected for review during QAD visits by ICAEW, and in all cases on review, [her] work was found to be adequate with no adverse findings"*.

DECISION ON ALLEGATIONS AND REASONS

11. 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.
12. 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.
13. The Chair considered the Bundle of evidence and, on the basis of the admissions of the allegations by Mrs Lisa Elizabeth Richards, found the facts of the allegations proved. They therefore justified disciplinary action.

SANCTION AND REASONS

14. In deciding whether to approve the proposed sanction of a reprimand, and for Mrs Lisa Elizabeth Richards to pay ACCA's costs in the sum of £1,340, 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.

15. In reaching her decision, the Chair had noted the following aggravating feature, as identified by ACCA:

- The conduct which led to Mrs Richards being the subject of regulatory action by ICAEW fell below the standards expected of a qualified ACCA member. As such her conduct has brought discredit upon herself, ACCA and the accountancy profession.

16. In deciding that a reprimand was the most suitable sanction, paragraphs C4.1 to C4.5 of ACCA's Guidance had been considered and the following mitigating factors had been identified by ACCA:

- Mrs Richards had made full, unequivocal and early admissions as part of ICAEW's proceedings.
- There was no evidence that any actual harm was caused as a direct result of the defective audit work, and the companies in question were not Public Interest Entities.
- As noted above, Mrs Richards voluntarily relinquished her ICAEW practising certificate and her RI status.
- There does not appear to be any continuing risk to the public.
- Mrs Richards has fully co-operated with ACCA's investigation and regulatory process.
- Mrs Richards has been a member of ACCA since 18 January 1996 and has a previous good record with no previous complaint or disciplinary history.
- Mrs Richards continues to hold an ACCA practising certificate.
- Good character references from other professionals who have worked with Mrs Richards.

17. The Chair considered that the mitigating features were supported by documentary evidence and were relevant.
18. In the Chair's judgement, and when considering the criteria set out in the Guidance, the conduct was such that the public interest would not be served by making no order, nor would an admonishment adequately reflect the seriousness of Mrs Richards's conduct.
19. Therefore, the Chair concluded that it would be proportionate and sufficient to impose a reprimand to reflect the seriousness of the findings against Mrs Richards.
20. In all the circumstances, the Chair was satisfied that the sanction of a reprimand was appropriate, proportionate, and sufficient.

COSTS AND REASONS

21. ACCA was entitled to its costs in bringing these proceedings. The claim for costs in the sum of £1,340, which had been agreed by Mrs Richards, appeared appropriate.

ORDER

22. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
 - a. Mrs Lisa Elizabeth Richards shall be reprimanded; and
 - b. Mrs Lisa Elizabeth Richards shall pay costs of £1,340 to ACCA.

Ms Ilana Tessler
Chair
9 February 2024

