

HEARING
**DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF
CHARTERED CERTIFIED ACCOUNTANTS**

REASONS FOR DECISION

In the matter of: Mr Steven Hillman

Heard on: 14 February 2024

Location: Virtual hearing via Microsoft Teams

Committee: Mr Andrew Popat CBE (Chair)
Ms Victoria Smith (Lay)
Ms Andrea White (Accountant)

Legal Adviser: Ms Jane Kilgannon

**Persons present
and capacity:** Ms Elaine Skittrell (ACCA Case Presenter)
Ms Lauren Clayton (Hearings Officer)

Summary: Removal from student register

Costs: Mr Hillman ordered to pay £3,000.00 towards ACCA's
costs

1. The Disciplinary Committee (the Committee) convened to consider the case of Mr Steven Hillman (Mr Hillman).

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2. Ms Skittrell (Ms Skittrell) represented the Association of Chartered Certified Accountants (ACCA). Mr Hillman did not attend the hearing and was not represented.
3. The Committee had confirmed that it was not aware of any conflicts of interest in relation to the case.
4. In accordance with Regulation 11(1)(a) of the Chartered Certified Accountants' Complaints and Disciplinary Regulations 2014 (the Regulations), the hearing was conducted in public.
5. The hearing was conducted remotely through Microsoft Teams.
6. The Committee had considered in advance the following documents:
 - a. A Memorandum and Agenda (pages 1 to 2);
 - b. A Hearing bundle (pages 1 to 65);
 - c. A Tabled Additional bundle (pages 1 to 4); and
 - d. A Service Bundle relating to today's hearing (pages 1 to 20).

SERVICE OF PAPERS

7. The Committee considered whether the appropriate documents had been served on Mr Hillman in accordance with the Regulations.
8. The Committee accepted the advice of the Legal Adviser, who referred to Regulations 10 and 22 of the Regulations, and in particular the requirement that notice of the hearing must be served no later than 28 days before the date of the hearing unless there are exceptional circumstances.
9. The Committee noted the written notice of the hearing scheduled for today, 14 February 2024, had been sent by electronic mail (email) to Mr Hillman's registered email address on 17 January 2024. It also noted the subsequent emails sent to him with the necessary link and password to enable him to gain access to the letter and the documents relating to this hearing.

10. As the notice of hearing was sent by email, the Committee noted that service may be proved by confirmation of delivery of the notice, which had been provided to the Committee, and that the notice would be deemed as having been served on the day that it was sent, that is, 17 January 2024. On the basis of that documentation, the Committee was satisfied that the notice of hearing had been served on Mr Hillman on 17 January 2024, 28 days before the date of today's hearing.
11. The Committee noted the contents of the notice of hearing and was satisfied that it contained all of the information required by Regulation 10 of the Regulations.
12. The Committee concluded that service of the notice of hearing had been effected in accordance with Regulations 10 and 22 of the Regulations.

PRELIMINARY MATTERS

13. Pursuant to Regulation 11(1)(a) of the Regulations, after hearing representations from Ms Skittrell and advice from the Legal Adviser, the Committee decided to hold any parts of the hearing that related to Mr Hillman's health in private.

PROCEEDING IN ABSENCE

14. Ms Skittrell made an application for the hearing to proceed in the absence of Mr Hillman.
15. The Committee, having satisfied itself that the requirements of Regulations 10 and 22 of the Regulations had been complied with, went on to consider whether to proceed in the absence of Mr Hillman.
16. The Committee took into account the submissions of Ms Skittrell. The Committee accepted and took into account the advice of the Legal Adviser, who referred it to Regulation 10(7) of the Regulations, the ACCA document 'Guidance for Disciplinary Committee hearings' and the relevant principles from

the cases of *R v Jones* [2002] UKHL 5, and *GMC v Adeogba and GMC v Visvardis* [2016] EWCA Civ 162.

17. The Committee bore in mind that its discretion to proceed in the absence of Mr Hillman must be exercised with the utmost care and caution.
18. The Committee noted that ACCA had sent a notice of hearing and further correspondence to Mr Hillman at his registered email address. It also noted that ACCA had made an attempt to contact Mr Hillman by telephone on 29 January 2024 and 06 February 2024 but that the calls had not been answered and there was no opportunity to leave a voicemail message.
19. The Committee noted that Mr Hillman had submitted a completed Case Management Form dated 03 May 2023. In it, he had indicated that he would be happy to attend the hearing "*if required*", that he did not intend to be represented at the hearing, and that he was content for the hearing to proceed in his absence.
20. The Committee noted that Mr Hillman had sent an email to ACCA yesterday, 13 February 2024, stating that he was unable to attend the hearing today due to work commitments.
21. On the basis of the evidence set out above, the Committee was satisfied that ACCA had made reasonable efforts to notify Mr Hillman about today's hearing and that Mr Hillman knew about the hearing. The Committee noted that Mr Hillman had not applied for an adjournment of today's hearing and there was no indication that such an adjournment would secure his attendance on another date. Indeed, Mr Hillman had indicated in his completed Case Management Form that he was content for the hearing to proceed in his absence. Furthermore, there was no evidence that Mr Hillman was absent due to incapacity or illness. Rather, his most recent correspondence, indicated that the reason for his absence was that he had work commitments today. The Committee therefore concluded that Mr Hillman had voluntarily absented himself from the hearing. The Committee was mindful that there is a public interest in dealing with regulatory matters expeditiously.
22. The Committee considered that, whilst there may be some prejudice to Mr Hillman in not being present to give his account of events directly to the

Committee at the hearing, it had the benefit of detailed written representations from Mr Hillman and the Committee itself could ask questions of the ACCA Case Presenter to test the case against Mr Hillman.

23. Having balanced the public interest with Mr Hillman's own interests, the Committee decided that it was fair and in the interests of justice to proceed in Mr Hillman's absence.

BRIEF BACKGROUND

24. Mr Hillman became a student member of ACCA on 05 February 2019.
25. In September 2022 ACCA received a complaint from Firm A, Mr Hillman's employer from January 2017 to 28 March 2022.
26. Firm A informed ACCA that it had conducted an internal investigation into expenses claims submitted by Mr Hillman and had been unable to verify that a number of the claims (totalling £13,118.97) had been for a genuine business purpose. The documentation provided by Firm A included the summary of an interview undertaken with Mr Hillman.
27. On 30 January 2023 ACCA wrote to Mr Hillman, requesting answers to a number of questions. On 14 February 2023, Mr Hillman responded as follows:
 1. Do you dispute that you misappropriated amounts totalling £13,118.97 from your employer Firm A over the period 01 November 2018 to 31 December 2019? If so, please explain why and whether you accept you misappropriated any amount from your employer Firm A.

"I do not dispute the claim, although I do not believe the full amount was entirely misappropriated as some of the expenses discussed I do believe were in genuine error".

2. Do you accept that your conduct was dishonest? If not, please explain why.

"I accept my behaviour was dishonest and against the principles set by [Firm A] and ACCA".

3. Do you accept that your conduct was contrary to the Fundamental Principle of Integrity? If not, please explain why.

"As above, I agree with this for both [Firm A] and ACCA".

4. Were you employed by Firm A until 28 March 2022? If so, what was your role and day to day duties?

"I was employed by [Firm A] up to this date. I was employed as an audit associate and then a senior audit associate. Working primarily on the audit of financial statements".

5. Did you contest, or are you contesting, your dismissal from Firm A and if not, why not?

"I did not contest my dismissal from [Firm A] as although previously mentioned some actions were genuine error there were also acts by myself that were inappropriate and dishonest for the position that I held".

6. Are you currently employed and if so, what is the name of your current employer, what is your role and when did your employment commence?

"I am currently self-employed, working as a labourer in the construction industry".

7. Considering the "Final Investigation Report", dated January 2022, provided to ACCA by Firm A do you accept the statements made in that document about your conduct are correct or true or do you dispute any or all of the statements contained in that report? Please let me know which statements you do not accept as being true or correct.

"I accept the statements to be true [PRIVATE]".

8. Considering the "Outcome of disciplinary meeting" email, dated 29 March 2022, provided to ACCA by Firm A do you accept the statements made in that document about your conduct are correct or true or do you dispute

any or all of the statements contained in that email? Please let me know which statements you do not accept as being true or correct.

“as above”.

9. Please let me have any other comments you wish to make at this time or if there is any other information that you think is relevant to this matter at this time.

“I was not aware that I was still a member of the ACCA during the period discussed. I wholeheartedly accept my wrong doings within the period and I am ashamed by my behaviour. Throughout the period in which the claims are made [PRIVATE].

My behaviour within the period of the claims was wrong and shameful. I have moved on with my life to try to make right, to the best of my ability, of the wrongs I committed. I am currently [Private]. I am sincerely sorry for my actions during the period of the claims and will gladly offer my resignation to any association with ACCA with immediate effect and for the future. As previously mentioned I was not aware of current membership to ACCA during the period and if I was aware I would have self referred for my association to have been terminated with immediate effect”

28. Mr Hillman submitted a completed Case Management Form dated 03 May 2023. In it, he admitted the ACCA allegations against him in their entirety, stating *“Yes I admit to all of the above”*.
29. On 17 January 2024 Firm A sent an email to ACCA confirming that [PRIVATE].
30. On 13 February 2024 Mr Hillman sent an email to ACCA asking that the following be taken into account at today’s hearing:

“During the time frame of the incidents being discussed I was [PRIVATE] and have rebuilt my life since my dismissal at [Firm A]. [PRIVATE] [...] I cannot apologise enough for my actions, for the shame they brought to myself, [Firm A] and the ACCA. I completely acknowledge my actions were against what is

acceptable whilst being a member of the ACCA and employed by a firm such of [Firm A]. [PRIVATE]".

ALLEGATIONS

Mr Steven Hillman (Mr Hillman), a student of ACCA

- 1. Between 1 November 2018 and 31 December 2019 submitted false expenses claims to Firm A, being his then employer, amounting to approximately £13,118.97**
- 2. By reason for the matters referred to in paragraph 1 above was dishonest in that he knew the expenses claims he submitted were false and did not represent expenses he was entitled to receive reimbursement of.**
- 3. In the alternative in respect of the conduct referred to in allegations 1 and 2 above has failed to demonstrate integrity.**
- 4. By reason of the above conduct Mr Hillman is guilty of misconduct pursuant to bye-law 8(a)(i)**

DECISION ON ALLEGATIONS AND REASONS

ADMISSIONS

31. In accordance with Regulation 12(3)(b), the Committee considered Mr Hillman's written responses to ACCA and his written representations to the Committee to determine whether Mr Hillman wished to make any admissions.
32. In relation to Allegation 1, the Committee noted that, in his response to ACCA dated 14 February 2023, Mr Hillman had made an admission but it appeared to be equivocal in that he stated "*I do not dispute the claim, although I do not believe the full amount was entirely misappropriated as some of the expenses discussed I do believe were in genuine error*". The Committee also noted, however, that his later admission in his completed Case Management Form, dated 03 May 2023, was full and unequivocal in that he stated "*Yes I admit to all of the above*". The Committee considered that the evidence available

indicated that Mr Hillman had changed his position from an equivocal admission to Allegation 1 to a clear, unqualified and unequivocal admission to Allegation 1.

33. In relation to Allegation 2, the Committee noted that, in his response to ACCA dated 14 February 2023, Mr Hillman had made an admission that his conduct had been dishonest in that he stated "*I accept my behaviour was dishonest and against the principles set by both [Firm A] and ACCA*". The Committee also noted his later admission in his completed Case Management Form, dated 03 May 2023, which was equally full and unequivocal in that he stated "*Yes I admit to all of the above*". The Committee considered that the evidence available indicated that Mr Hillman had maintained a consistent position throughout the correspondence with ACCA – he made a clear, unqualified and unequivocal admission that his conduct set out at Allegation 1 had been dishonest.
34. Taking all of these matters into account, the Committee concluded that Mr Hillman had admitted Allegations 1 and 2.
35. Therefore, in accordance with Regulation 12(3)(c) of the Regulations, the Chair announced that Allegations 1 and 2 had been found proved by way of admission.
36. Given the Committee's finding in relation to Allegation 2, it was not necessary for the Committee to consider the alternative matter set out at Allegation 3.

Evidence and submissions of ACCA in relation to Allegation 4

37. Ms Skittrell provided written and oral submissions on behalf of ACCA.
38. Ms Skittrell took the Committee through the documentary evidence relied upon by ACCA. In particular, Ms Skittrell highlighted the documentation provided by Firm A and Mr Hillman's responses to ACCA, both his email dated 14 February 2023 and his completed Case Management Form dated 03 May 2023.
39. In relation to Allegation 4, Ms Skittrell submitted that Mr Hillman's conduct set out at Allegations 1 and 2 amounted to misconduct. She submitted that Mr Hillman had acted deliberately in full knowledge of the relevant expenses policy, dishonestly misappropriating approximately £13,118.97. She submitted that he had provided no cogent explanation for his actions. She also drew the

Committee's attention to the fact that there had been the submission of multiple false expenses claims over an extended period of time, suggesting that the repeated nature of the behaviour made it even more serious conduct.

Evidence and submissions of Mr Hillman in relation to Allegation 4

40. Mr Hillman did not attend to make oral representations and nor did he submit any written representations specifically in relation to Allegation 4. However, the Committee took account of the written representations provided by Mr Hillman in his responses to ACCA.

DECISIONS AND REASONS OF THE COMMITTEE

41. The Committee considered all of the documentary evidence before it and the submissions of Ms Skittrell.
42. The Committee accepted the advice of the Legal Adviser, reminding it that there was no standard or burden of proof to be applied at this stage, but that the Committee must exercise its own professional judgment. The advice also included guidance on the interpretation of the term misconduct.

Allegation 4 – proved

43. In relation to Allegation 4, the Committee considered the seriousness of Mr Hillman's conduct set out at Allegations 1 and 2.
44. The Committee considered that Mr Hillman's conduct, in dishonestly submitting false expenses claims, had been designed to obtain a personal benefit (money to which he was not entitled). It noted that the conduct, therefore, had the potential to cause a financial loss to his employer at that time, Firm A.
45. The Committee considered that the evidence indicated that Mr Hillman's conduct had been deliberate. He had been aware of what the relevant expenses policy required, yet he went ahead and submitted multiple duplicate claims, claims for inflated amounts and claims without the necessary independent documentary evidence for them to be verified.

46. The Committee noted that Mr Hillman had been working as a Senior Associate at the relevant time, in audit and assurance – a workplace context in which Mr Hillman would have been familiar with the importance of ensuring accuracy and verification of any claims made. The Committee therefore considered that Mr Hillman’s dishonest conduct had amounted to an abuse of position and trust.
47. Taking all these matters into account, the Committee found Mr Hillman’s behaviour so serious as to be conduct that fell far below the standards expected of a student member of ACCA and which would be considered deplorable by fellow student members and members of the profession.
48. The Committee concluded that Mr Hillman’s conduct had departed significantly from what was proper in the circumstances and brought discredit to Mr Hillman, ACCA and the accountancy profession. The conduct risked the undermining of public confidence in ACCA and the accountancy profession.
49. For these reasons, the Committee concluded that Mr Hillman’s conduct at Allegations 1 and 2 was serious enough to amount to misconduct.
50. Accordingly, the Committee found Allegation 4 proved.
51. As such, the Committee noted that Mr Hillman was liable to disciplinary action pursuant to bye-law 8(a)(i).

SANCTION AND REASONS

52. In reaching its decision on sanction, the Committee took into account the evidence that it had already heard, its earlier findings and the further submissions made by Ms Skittrell.
53. Mr Hillman had not provided any written submissions specifically in relation to the sanction stage of proceedings. The Committee had regard to mitigation included in Mr Hillman’s correspondence with ACCA.
54. The Committee accepted the advice of the Legal Adviser, who referred it to Regulation 13(4) of the Regulations, relevant caselaw and the ACCA document ‘Guidance for Disciplinary Sanctions’. The Committee bore in mind that the purpose of any sanction was not to punish Mr Hillman, but to protect the public,

maintain public confidence in the profession and maintain proper standards of conduct, and that any sanction must be proportionate.

55. When deciding on the appropriate sanction, the Committee carefully considered whether there were any aggravating and mitigating features in this case.
56. The Committee considered the following matters to be aggravating features of the case:
 - a. The conduct amounted to pre-meditated, deliberate and systematic attempted deception of Firm A;
 - b. The conduct risked causing financial loss to Firm A;
 - c. The conduct was designed to obtain personal financial gain;
 - d. There was a breach of trust / position; and
 - e. The conduct was repeated over a prolonged period of time.
57. The Committee considered the following matters to be mitigating features of this case:
 - a. Mr Hillman has had no previous regulatory findings made against him (although the Committee noted that Mr Hillman only registered as a student member on 05 February 2019, which fell within the 14-month period of the conduct in question);
 - b. Mr Hillman had made full admissions in the Case Management Form dated 03 May 2023;
 - c. Mr Hillman had acknowledged his wrongdoing and apologised for his conduct, demonstrating some insight; and
 - d. Mr Hillman had taken steps to rectify the harm caused by his conduct, in that he was in the process of repaying Firm A for the monies falsely claimed and obtained and had, thus far, repaid about half of the full amount.
58. [PRIVATE].

59. No professional or character testimonials were presented for the consideration of the Committee.
60. The Committee noted that Section E2 of the 'Guidance for Disciplinary Sanctions' document indicated that:
 - a. Dishonesty, even when it does not result in direct harm and/or loss undermines trust and confidence in the profession;
 - b. The public is entitled to expect a high degree of probity from a professional who has undertaken to abide by a code of ethics. The reputation of ACCA and the accountancy profession is built upon the public being able to rely on a member to do the right thing in difficult circumstances. It is a cornerstone of the public value which an accountant brings; and
 - c. The Committee should bear these factors in mind when considering whether any mitigation presented by the student member is so remarkable or exceptional that it warrants anything other than removal from the student register.
61. The Committee considered the available sanctions in increasing order of severity.
62. The Committee first considered whether to take no further action, but considered that such an approach was not appropriate given the seriousness of the misconduct.
63. The Committee considered imposing an admonishment on Mr Hillman. The Committee noted that the guidance indicated that an admonishment would be appropriate in cases where most of the following are present: evidence of no loss or adverse effect on client / members of the public; early admission of the facts alleged; insight into failings; isolated incident; not deliberate; genuine expression of remorse/apology; corrective steps have been taken promptly; subsequent work satisfactory; and relevant and appropriate testimonials and references. The Committee considered that this was not a case where most of these factors were present. Mr Hillman had made admissions to ACCA,

expressed his remorse for his conduct, demonstrated some insight and taken some corrective steps. However, the Committee noted that the conduct was not an isolated incident but had occurred over an extended period of time. Furthermore, the conduct had been deliberate, had resulted in loss or adverse effect on Firm A, and the Committee had not been provided with any testimonials or references to attest to the current character of Mr Hillman.

64. The Committee considered imposing a reprimand on Mr Hillman. The Committee noted that the guidance indicated that a reprimand would be appropriate in cases where the misconduct is of a minor nature, there appears to be no continuing risk to the public and there has been sufficient evidence of an individual's understanding, together with genuine insight into the conduct found proved. The Committee considered that the misconduct was of a serious nature and insufficient insight had been demonstrated by Mr Hillman to reassure the Committee that there was no continuing risk to the public. For those reasons, the Committee concluded that a reprimand would be inappropriate.
65. The Committee considered imposing a severe reprimand on Mr Hillman. The Committee noted that the guidance indicated that a severe reprimand would usually be appropriate in cases where the conduct is of a serious nature but where the circumstances of the case or mitigation advanced satisfies the Committee that there was no continuing risk to the public. The Committee considered the non-exhaustive list of factors set out in the guidance that indicate when a severe reprimand may be appropriate. The Committee noted that, although Mr Hillman was of previous good character, and had apologised for his conduct and demonstrated some insight and corrective steps, there was evidence that his dishonest conduct had been deliberate, and was designed to obtain money to which he was not entitled for his own personal gain. The Committee considered that the mitigation advanced by Mr Hillman was insufficient to reassure it that there was no ongoing risk to the public. Furthermore, the Committee considered that a severe reprimand would be insufficient to mark the seriousness of the misconduct, to provide adequate protection of the public and to address the wider public interest. For those reasons, the Committee concluded that a severe reprimand would be inappropriate.

66. The Committee considered that removal from the student register was the appropriate and proportionate sanction in this case.
67. The Committee noted that Mr Hillman's conduct engaged a significant number of the factors set out in the non-exhaustive list at paragraph C5.1 of the guidance document. The conduct:
- a. Was a serious departure from professional standards;
 - b. Had caused actual loss or adverse impact on Firm A;
 - c. Had amounted to an abuse of trust / position;
 - d. Was dishonest; and
 - e. Had continued over a period of time.
68. Overall, the Committee took the view that Mr Hillman's conduct was so serious that it was fundamentally incompatible with being a student member of ACCA.
69. The Committee considered that the mitigating features of the case were not so remarkable or exceptional so as to warrant anything other than removal from the student register.
70. The Committee was mindful that the sanction of removal from the student register was the most serious sanction that could be imposed and recognised that it could have negative consequences for Mr Hillman in terms of his reputation and financial circumstances. However, the Committee considered the sanction to be proportionate in the circumstances, given the seriousness of the misconduct, the need to protect the public, and the wider public interest in upholding proper professional standards and maintaining public confidence in ACCA and the accountancy profession.
71. Accordingly, the Committee decided to remove Mr Hillman from the student register.
72. The Committee decided that, given the circumstances of the case and the ongoing risk to the public, it was in the interests of the public and in the wider public interest, that the order for removal from the student register have immediate effect.

73. The Committee did not deem it necessary to impose a specified period before which Mr Hillman could make an application for re-admission as a student member.

COSTS AND REASONS

74. Ms Skittrell made an application for Mr Hillman to make a contribution to the costs of ACCA. Ms Skittrell applied for costs totalling £5,857. The Committee was provided with a Schedule of Costs providing a breakdown of the activity undertaken by ACCA and the associated costs. Ms Skittrell submitted that the costs claimed were appropriate and reasonable. She acknowledged that the time estimated for the hearing now appeared to be a slight overestimate and so the Committee could reduce any costs awarded accordingly.
75. Mr Hillman did not provide the Committee with a Statement of Financial Position, nor did he provide any written representations specifically in relation to the costs stage of the proceedings. However, the Committee had regard to Mr Hillman's correspondence with ACCA in which he had provided some details of his current financial and personal circumstances.
76. The Committee accepted the advice of the Legal Adviser who referred the Committee to Regulation 15(1) of the Regulations and the ACCA document 'Guidance for Cost Orders'.
77. The Committee was satisfied that ACCA was entitled to costs in principle and had been justified in investigating these matters. Having reviewed the schedule, the Committee considered that the costs claimed appeared to have been reasonably and proportionately incurred.
78. Owing to the fact that the hearing today had taken less time than had been estimated in the ACCA schedule, the Committee determined that it would be appropriate to reduce the amount of costs awarded accordingly.
79. The Committee also decided to reduce the amount of costs awarded on the basis of Mr Hillman's financial and personal circumstances. The Committee noted that:
- a. Firm A had confirmed that Mr Hillman was [PRIVATE];

- b. Mr Hillman had stated that the repayments to Firm A [PRIVATE];
 - c. Mr Hillman had stated that he was now working as a self-employed labourer in the construction industry; and
 - d. Mr Hillman had stated [PRIVATE].
80. Taking all of the circumstances into account, the Committee decided that Mr Hillman should be ordered to make a contribution to the costs of ACCA in the sum of £3,000.00.

ORDER

81. The Committee made the following order:
- a. Mr Hillman shall be removed from the ACCA student register; and
 - b. Mr Hillman shall make a contribution to ACCA's costs in the sum of £3,000.00.

EFFECTIVE DATE OF ORDER

82. In accordance with Regulation 20(1)(b) of the Regulations, the Committee decided that, in the interests of the public, the order relating to removal from the ACCA student register shall take effect immediately.
83. In accordance with Regulation 20(2) of the Regulations, the order relating to costs shall take effect immediately.

Mr Andrew Popat CBE
Chair
14 February 2024