



APPLICATION ON PAPERS

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Asad Majeed

Considered on: Tuesday, 16 January 2024

Location: Remotely via Microsoft Teams

Chair: HH Suzan Matthews KC

Legal Adviser: Mr David Mason

Summary: Reprimand and Fine of £500

Costs: £1871.75

INTRODUCTION

1. The Chair has considered a draft Consent Order, signed by a signatory on behalf of ACCA dated 02 January 2024, together with supporting documents in a bundle numbering pages 1-128, Tabled Additional Bundle (1) pages 1-6, and the Simple and Detailed costs schedules.
2. When reaching her decision, the Chair has referred to the requirements of Regulation 8 of the Complaints and Disciplinary Regulations 2014 (as amended) ("CDR8") and considered ACCA's documents entitled "Consent Orders Guidance" and "Consent Orders Guidance FAQs".
3. The Chair was satisfied that Mr Majeed was aware of the terms of the draft Consent Order and that it was being considered today. He had signed the Order on 29 December 2023.

4. The Chair was also satisfied that Mr Majeed 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.
5. The Investigating Officer had conducted an investigation into the allegations against Mr Majeed in accordance with CDR8(1)(a) and was satisfied that:
 - i) 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 Mr Majeed, and that there was a real prospect of a reasonable tribunal finding the allegations proved; and
 - ii) The proposed allegations were unlikely to result in exclusion from membership.

ALLEGATIONS

Asad Majeed, an ACCA member admitted the following:

Allegation 1

From about November 2015 to October 2023 in not holding an ACCA Practising Certificate he breached Global Practising Regulations (as applicable from 2015 to 2023) by virtue of the following:

- a) Carried on public practice contrary to Global Practising Regulation 3(1)(a)
- b) Was a director of Firm A, a firm which carried on public practice, contrary to Global Practising Regulation 3(2)(a);
- c) Held rights in Firm A, which in effect put him in the position of principal of a firm which carried on public practice, contrary to Global Practising Regulation 3(2)(b).

Allegation 2

From about January 2018 to May 2023, in relation to bookkeeping work, failed to register with HM Revenue and Customs for the purposes of anti-money laundering supervision in breach of Regulation 3(2) of Annex 1 of the Global Practising Regulations 2003

Allegation 3

By reason of the conduct set out in Allegations 1 & 2 above Asad Majeed is guilty of misconduct pursuant to byelaw 8(a)(1)

BRIEF FACTS

6. Mr Majeed and ACCA agreed the following facts.
7. Mr Majeed has been an ACCA member since 31 May 2012, based in the UK.
8. He had never held an ACCA practicing certificate prior to October 2023.
9. Allegation 1 - Mr Majeed had been carrying on public practice through a firm, Firm A, whilst not holding an ACCA practising certificate. The agreed evidence showed that he was appointed a director of Firm A on 09 November 2012 and that when Firm A was incorporated, he was recorded as the sole director with 'Occupation' as 'Accountant'. He had been the sole person with significant control since Firm A was incorporated.

Although the annual returns for Firm A up to 2014 only refer to the SIC code for bookkeeping by the following year the SIC codes for accounting and tax consultancy had been added and have remained unchanged since.

The initial page of the website of Firm A shows the services as 'Accounts' and 'Tax Compliance'.

Mr Majeed listed his profile as 'Asad Majeed FCCA'. The listing subtitle section including 'Tax planning/structuring' and 'Accounting', including 'Accounting', 'Small Business Tax', 'Tax Preparation', 'Financial Reporting' and others.

Mr Majeed admits these facts.

10. In mitigation Mr Majeed explained 20% of his income from Firm A was public practice and that this was subject to review by qualified accountants, with the remaining 80% of the income being bookkeeping and payroll and therefore not public practice. He provided

supporting evidence by a letter dated 12th November from Person A who indicated that all accountancy work produced by Mr Majeed was reviewed by the 'partner' of Firm B.

11. Allegation 2 - Mr Majeed was asked consequentially whether Firm A was registered for anti-money laundering supervision and was advised that if not and Firm A was providing bookkeeping and/or accountancy services that he had to take immediate steps to register with HMRC for such supervision.
12. Mr Majeed admitted Firm A was not registered for anti-money laundering supervision but subsequently advised he had promptly registered for anti-money laundering for which supporting evidence was provide.
13. Allegation 3 - Mr Majeed admitted acts or omissions as set out above which bring, or is likely to bring, discredit to the individual or relevant firm or to the Association or to the accountancy profession.

DECISION ON ALLEGATIONS AND REASONS

- 13 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 she is of the view that the admitted breaches would more likely than not result in exclusion from membership or removal from the student register.
14. 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.
15. The Chair considered the bundle of evidence. Based on the documentary evidence, the finding of ACCA together with the admission of the allegations by Mr Majeed the Chair found the facts of the allegations proved. She considered that the admitted facts and Mr Majeed 's actions amounted to misconduct in that they brought discredit to him, the Association, and the accountancy profession. They therefore justified disciplinary action under byelaw 8(a)(i).

SANCTION AND REASONS

16. In deciding whether to approve the proposed sanction of a Reprimand and Fine 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.
17. In deciding that a Reprimand and Fine 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 aggravating and mitigating factors identified by ACCA:

Aggravating:

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

Mitigating:

- Mr Majeed has been a member of ACCA since May 2012, and has a previous good record with no previous complaint or disciplinary history.
 - Mr Majeed has fully co-operated with the investigation and regulatory process.
 - Mr Majeed has admitted his conduct and expressed genuine remorse.
 - Mr Majeed regularised his position speedily with HMRC and has held a Practising Certificate since October 2023.
18. The Chair considered that both the aggravating and mitigating factors identified by ACCA were supported by documentary evidence and were relevant.

19. In the Chair's view, the finding of the ACCA was serious, and the public interest would not be served by making no order, nor would an admonishment adequately reflect the seriousness of Mr Majeed 's conduct.
20. In all the circumstances, the Chair was satisfied that the sanction of Reprimand and fine, was proportionate, and sufficient, and that an order excluding Mr Majeed from the Register of Members would be a disproportionate outcome and therefore a Disciplinary Committee would be unlikely to make such an order.

COSTS AND REASONS

21. Having considered the provided Simple and Detailed costs schedules it is apparent Mr Majeed is able to pay a fine, and the costs as itemised.
22. ACCA is entitled to its costs in bringing these proceedings. The claim for costs in the sum of £1871.75 which has been agreed by Mr Majeed appears appropriate.

ORDER

23. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
 - a. Mr Majeed shall be Reprimanded and pay a Fine of £500.
 - b. Mr Majeed shall pay costs of £1871.75 to ACCA.

HH Suzan Matthews KC
Chair
16 January 2024