

APPLICATION ON PAPERS

CONSENT ORDER CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Dilip Patel

Heard on: Thursday, 18 December 2025

Location: Remotely via Microsoft Teams

Chair: Mr Andrew Gell

Legal adviser: Mr Alastair McFarlane

Outcome: Consent Order approved

DOCUMENTS BEFORE THE COMMITTEE

1. The Committee received a bundle of papers, including a Signed Consent Order numbered pages 1-183, a Simple Costs spreadsheet of one page and a Detailed Costs schedule of 4 pages.

CONSENT ORDER

Schedule of Allegations

- 1(a) On 04 January 2023 the Institute of Chartered Accountants in England and Wales (ICAEW) made a disciplinary finding against Mr Dilip Patel,

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with his agreement.

- 1(b) By reason of his conduct in respect of allegation 1(a), Mr Patel is liable to disciplinary action pursuant to Bye-law 8(a)(vi).
- 2(a) On or around 19 November 2015, Company A, a firm where Mr Patel was a director, entered into a Corporate voluntary arrangement in accordance with the Insolvency Rules 1986.
- 2(b) By reason of his conduct in respect of allegation 2(a), Mr Patel is liable to disciplinary action pursuant to Bye-law 8(a)(vii).
- 3. Mr Patel, in failing to provide written notice to and/or promptly bring to the attention of ACCA that Company A, a firm where he was a director, had entered into a Corporate voluntary arrangement, has breached Global Practising Regulations 12(2)(c) and/or Bye law 10(b).
- 4. By reason of his conduct at allegation 3, Mr Patel is:
 - (a) Guilty of misconduct pursuant to bye-law 8(a)(i) or in the alternative
 - (b) Liable to disciplinary action pursuant to bye-law 8(a)(iii).

SANCTION

- 2. Severe reprimand and Mr Patel to pay costs to ACCA in the sum of £4000.

BACKGROUND

- 3. Mr Patel became a member of ACCA on 22 March 1984 and a Fellow five years later. Mr Patel had an ACCA practising certificate with audit qualification until 2019 and has had an ACCA practising certificate since 2020, after he asked to transfer to a practising certificate. Mr Patel had a current practising certificate for 2025, and his continuing professional development is up to date.
- 4. Companies House records confirm that, on 16 November 2023, Mr Patel was one of two directors of Company A and that he had been a director since 2003.

5. On 31 December 2014 Company A invoiced Company B for £90,000, including £18,000 VAT, in relation to software and client database data.
6. Mr Patel's co-director of Company A was the sole director and owner of Company B. The co-director was responsible for the VAT returns for it and for Company A.
7. On 19 November 2015 a Corporate voluntary arrangement (CVA) was agreed for Company A.
8. On 10 June 2016 HMRC made a VAT inspection of Company B. HMRC identified a VAT anomaly which was that Company B had claimed a VAT refund for Company B. HMRC also decided that Company A had omitted to declare the output VAT. HMRC has said that on 09 September 2016 it asked Mr Patel's co-director to explain the position and that it received no explanation.
9. On 11 October 2016 HMRC sent Company A a VAT assessment for £18,000. On 02 December 2016 HMRC sent Company A a penalty explanation letter. On 03 January 2017 HMRC sent Company A a penalty assessment. HMRC has said that it also added Company A to its Managing Serious Defaulters Programme. It left the programme in 2020.
10. On 28 June 2019 ACCA received a letter from HMRC setting out its concerns about Mr Patel and Company A, a firm in public practice where he was a Director. ACCA opened a complaint file on the same date. HMRC had sent a similar letter to ICAEW as Mr Patel was (and is) an ICAEW member.
11. ACCA and ICAEW agreed that ICAEW would complete its investigation first. On 09 February 2023 ACCA received ICAEW's notification of the disciplinary decision about Mr Patel.
12. On 15 June 2020 the CVA ended. It was not until 10 December 2021 that Mr Patel told ACCA that the CVA had ended.
13. On 04 January 2023, with Mr Patel's agreement, ICAEW ordered that Mr Patel receive a severe reprimand, pay a fine of £10,000 and pay costs of £6,190. The order said that between 31 January 2015 and 11 October 2016, Mr Patel, as a

director of Company A, failed to exercise reasonable care, skill and diligence, in breach of section 174 of the Companies Act 2006 (General Duties of Directors) by allowing Company A to not declare output tax of £18,000 in its VAT return for the quarter ending 31 January 2015, or at all, on an invoice dated 31 December 2014, for the sale of intellectual property to a connected party.

CHAIR'S DECISION

- 14 Under Regulation 8(8) of the Complaints and Disciplinary Regulations 2014, I must determine whether, based on the evidence before me, the draft consent order should be approved or rejected. I had regard to the Consent Orders Guidance.
15. I noted that under Regulation 8(12) I shall only reject the signed consent order if I am of the view that the admitted breaches would, more likely than not, result in exclusion from membership.
16. I agree that an investigation of an appropriate level was conducted by ACCA.
17. I note that Mr Patel has admitted all allegations including misconduct.
18. I agree that there is a case to answer and that there is a real prospect that a reasonable tribunal would find the allegations proved.
19. I have considered the seriousness of the breaches as set out and the public interest, which includes the protection of the public, the maintenance of public confidence in the profession and the declaring and upholding of proper standards of conduct and performance. I have balanced this against Mr Patel's interests and his mitigation.
20. I note and accept the list of aggravating and mitigating factors at paragraph 39 and paragraph 40. The mitigating factors included: that HMRC recovered the £18,000 VAT in full together with penalties through the CVA; he accepted that he had an obligation to tell ACCA about the CVA and will be more careful in future; apologised for assuming that ACCA were informed by ICAEW of their decision; and his health and personal circumstances. Further, I note that Mr Patel's misconduct was not dishonest, that Mr Patel has fully cooperated with

the investigation, made full admissions, and made a full apology. I consider that the behaviour is unlikely to be repeated and that the continuing risk to the public is low.

21. I have had regard to ACCA's Guidance for Disciplinary Sanctions. I am satisfied that there was early and genuine acceptance of the conduct and that the risk to the public and profession from Mr Patel continuing as a member is low.
22. For the reasons set out above, I am satisfied that the admitted breaches would be unlikely to result in exclusion from membership, and therefore there is no basis for me to reject the consent order under Regulation 8 (12). I note the proposed consent order and, considering all the information before me, am satisfied that a severe reprimand is an appropriate and proportionate disposal of this case.
23. I am further satisfied that it is appropriate to award ACCA's costs in the sum of £4,000 which I find to be a reasonable and proportionate amount for the work undertaken.

ORDER

24. The Chair, pursuant to his powers under Regulation 8, made an Order in terms of the draft Consent Order, namely that Mr Patel be severely reprimanded. In addition, Mr Patel is to pay ACCA's costs of £4,000.

Mr Andrew Gell
Chair
18 December 2025