

CONSENT ORDERS HEARING

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Steven Mark Ormond-Smith

Heard on: Tuesday, 22 July 2025

Location: Remotely via Microsoft Teams

Chair: Ms Wendy Yeadon

Legal Adviser: Mr Robin Havard

Summary Severe Reprimand.

Cost: Fine - £5,000.00
Payable to ACCA - £1,050.00

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 Ormond-Smith and a signatory on behalf of ACCA on 08 July 2025, included in a bundle (pages

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- 1 to 115), together with a detailed costs schedule (pages 1 and 2), and a simple costs schedule (page 1).
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 Ormond-Smith was aware of the terms of the draft Consent Order and that it was being considered today.
 5. The Chair also understood that Mr Ormond-Smith 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.

Allegations

Mr Steven Mark Ormond-Smith, an ACCA Fellow:

1. Between June 2019 and a date in 2024, failed on behalf of Firm A to comply with or demonstrate compliance with the Isle of Man's Anti-Money Laundering and Countering Financing of Terrorism Code 2019, namely:
 - (a) Regulation 5 (Risk assessment by relevant persons: Business risk assessment).
 - (b) Regulation 6 (Risk assessment by relevant persons: Customer risk assessment).
 - (c) Regulation 13 (Customer due diligence measures: ongoing monitoring).
 - (d) Regulation 32 (Training).
2. By reason of his conduct set out at allegation 1 above, Mr Ormond-Smith failed to comply with the Fundamental Principle of Professional Behaviour and Section B2 (Anti-money laundering) of ACCA's Code of Ethics and Conduct (as applicable from 2017 to 2025).

3. By reason of his conduct, Mr Ormond-Smith 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 Steven Mark Ormond-Smith is a principal and the Money Laundering Reporting Officer of Ormco Accounts Limited (Firm A). Mr Ormond-Smith holds a Practising Certificate ("PC") with ACCA.
8. As a holder of a PC with ACCA, there is a mandatory requirement for Firm A to be monitored by ACCA to assess compliance with the Isle of Man's Anti-Money Laundering and Countering Financing of Terrorism Code 2019 ("the AML Code 2019").
9. A desk-based routine monitoring review of Firm A was carried out in April 2025. The purpose of the review was to monitor Firm A's compliance with the AML Code 2019.
10. During the AML Compliance Review, Firm A displayed poor AML controls. The following AML controls were tested and found to be noncompliant:

Business Risk Assessment (BRA)

The firm had not conducted and documented a BRA until 2024, despite being a legal requirement since June 2019 to conduct, document and keep up-to-date a BRA. During the review, Mr Ormond-Smith confirmed in the AML Compliance Review Assessment Form that the BRA submitted for the review was its first and only documented BRA.

Training

Firm A submitted evidence that training had been provided to relevant employees in 2024 when completing the AML Compliance Review Assessment Form but did not provide any other records. Firm A was only able to evidence

that training had been completed in 2023. It has been a legal requirement since June 2019 to provide regular AML training to relevant employees and keep a record of it.

Identifying client risk

Having reviewed the five CDD files submitted for the review, it was observed that Firm A does not have a documented client risk assessment process. It has been a legal requirement since June 2019 for Firm A to risk assess their clients prior to engaging them. The AML Code 2019 stipulates that the assessment must be recorded to be able to demonstrate its basis and must consider key MLTF risk factors.

Ongoing monitoring

Having reviewed the five CDD files submitted for the review, it was observed that Firm A conducts no ongoing monitoring of its client relationships. It has been a legal requirement since June 2019 for firms to perform ongoing and effective monitoring of any business relationship — ensuring files are up-to-date, accurate and appropriate, that risk assessments are up-to-date and accurate.

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 Mr Ormond-Smith, found the facts of the allegations proved. The Chair was further satisfied that, with regard to allegation 3, the facts of allegations 1 and 2 brought discredit to Mr Ormond-Smith, ACCA and the accountancy profession. It therefore amounted to misconduct under bye-law 8(a)(i).

SANCTION AND REASONS

14. In deciding whether to approve the proposed sanction of a severe reprimand, a fine of £5,000, and for Mr Ormond-Smith to pay ACCA's costs in the sum of £1,050, 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.

15. In reaching her decision, the Chair had noted, and found, the following aggravating features, as identified by ACCA:
 - (i) The length of time during which Mr Ormond-Smith was in breach of the AML Code 2019.

 - (ii) The conduct which led to Mr Ormond-Smith being in breach of the AML Code 2019 fell below the standards expected of an ACCA member.

16. In deciding that a severe 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 noted:
 - (i) Mr Ormond-Smith has been a fellow of ACCA since 2017 and has a previous good record with no previous complaint or disciplinary history.

 - (ii) Mr Ormond-Smith has fully cooperated with the investigation and regulatory process.

 - (iii) Mr Ormond-Smith immediately rectified any breaches of the AML Code 2019 and Firm A are currently fully compliant.

 - (iv) There is no continuing risk to the public.

 - (v) Mr Ormond-Smith has expressed genuine insight and remorse into the conduct which led to this referral being made by the AML Team.

17. ACCA had considered the other available sanctions and was of the view that they were not appropriate. A severe reprimand and a fine of £5,000 proportionately reflected Mr Ormond-Smith'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.
18. The Chair considered that both the aggravating and mitigating features identified by ACCA were supported by documentary evidence and were relevant.
19. In the Chair's judgement, the conduct was such that the public interest would not be served by making no order, and that a severe reprimand together with a fine of £5,000 adequately reflected the seriousness of Mr Ormond-Smith's conduct.
20. 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 severe reprimand and a fine of £5,000 to reflect the seriousness of the findings against Mr Ormond-Smith.

COSTS AND REASONS

21. ACCA was entitled to its costs in bringing these proceedings. The claim for costs in the sum of £1,050, which had been agreed by Mr Ormond-Smith, appeared appropriate.

ORDER

22. Accordingly, the Chair approved the terms of the attached Consent Order. In summary:
 - a. Mr Ormond-Smith shall be severely reprimanded;
 - b. Mr Ormond-Smith shall pay a fine of £5,000 and
 - c. Mr Ormond-Smith shall pay costs of £1,050 to ACCA.

Ms Wendy Yeadon
Chair
22 July 2025