

HEARING
DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED
CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: **Mr Chris Michael**

Heard on: **Thursday, 20 August 2026**

Location: **Remote via Microsoft Teams**

Committee: **Ms Ilana Tessler (Chair)**
 Dr David Horne (Accountant)
 Professor Roger Woods (Lay)

Legal Adviser: **Mr Charles Apthorp (Legal Adviser)**

Persons present
and capacity: **Mr Chris Michael (ACCA Member)**
 Mr Leonard Wigg (Case Presenter on behalf of ACCA)
 Miss Mary Okunowo (Hearings Officer)

Summary: **Allegations 1.1, 1.2 and 1.3 found proved**
 Allegations 2 proved by admission
 Allegations 3.1 and 3.2 not proved
 Allegations 4 and 5 found proved

Sanction: **Exclusion from membership**

Costs: **£7,055 awarded to ACCA**

ACCA



+44 (0)20 7059 5000



info@accaglobal.com



www.accaglobal.com



The Adelphi 1/11 John Adam Street London WC2N 6AU United Kingdom

1. The Committee confirmed that it was not aware of any conflicts of interest in relation to the case.
2. 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.
3. The hearing was conducted remotely through Microsoft Teams.
4. ACCA was represented by Mr Leonard Wigg. Mr Michael was in attendance, accompanied by a friend.

SERVICE OF PAPERS

5. The Committee considered the service bundle (1) with pages numbered 1- 25 in order to determine whether the Notice of Hearing ("the Notice") dated 21 July 2026 had been served in accordance with the provisions of the Complaints and Disciplinary Regulations 2014 (amended 2020) ("the Regulations")
6. The Notice had been sent to Mr Michael's registered email address held on file by ACCA and in the Committee's view complied with the other requirements of the Regulations.
7. The Committee was satisfied that this was effective service under the Regulations.
8. The Committee were provided with the following bundles: Hearing bundle (pages 1- 565), a Service Bundle (1-25) and at the sanction stage a bundle of previous regulatory findings.
9. The Committee had read the papers prior to the hearing.

Allegations

Mr Chris Michael, an ACCA Fellow ("Mr Michael"):

1. Between 26 June 2017 to 24 February 2023, failed on behalf of his firm to comply with (or demonstrate compliance with) the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 namely:

- 1.1 Regulation 18 – Risk assessment by relevant persons;
 - 1.2 Regulation 19 – Policies, controls and procedures;
 - 1.3 Regulation 24 – Training.
2. On or around November 2021, confirmed in an ACCA AML Risk Assessment Questionnaire that he had conducted a firm-wide risk assessment for the firm and had documented AML policies and procedures in place.
3. In respect of allegation 2 above, Mr Michael's conduct was:
 - 3.1 Dishonest in that he knew the confirmations referred to in allegation 2 above were untrue; or in the alternative
 - 3.2 Such conduct demonstrates a failure to act with integrity.
4. In the further alternative, such conduct was reckless in that Mr Michael paid no or insufficient regard for the need to ensure he completed the AML Risk Assessment Questionnaire accurately and correctly.
5. By reason of the above matters, Mr Michael is guilty of misconduct pursuant to bye-law 8(a)(i).
10. Mr Michael at the outset of the hearing entered the following pleas:
 - Allegation 1.1, 1.2 and 1.3 were denied;
 - Allegation 2 was admitted;
 - Allegation 3.1 and 3.2 were denied;
 - Allegation 4 was denied;
 - Allegation 5 was read but is a determination for the Committee.
11. The Committee therefore found Allegation 2 proved on admission by Mr Michael.
12. At the outset of the hearing Mr Michael indicated that he had no questions for ACCA's

witness, Mr Armstrong, who was therefore stood down.

BRIEF BACKGROUND

13. Mr Chris Michael ("Mr Michael") was admitted as a member on the 17 June 1991 and a fellow on the 01 January 2022. He is the Principal and the Money Laundering Reporting Officer ("MLRO") of the firm. Mr Michael also holds a Practising Certificate ("PC") with ACCA.
14. Mr Michael was referred for investigation by the AML Team at ACCA on 24 February 2023 following a desk-based monitoring review of Firm A ("the firm") to monitor its compliance with The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("MLRs 2017").
15. As a holder of a PC with ACCA, there is a mandatory requirement for the firm to be monitored by ACCA to assess compliance with the MLRs 2017. The MLRs 2017 came into force on 26 June 2017. They apply to anyone providing accountancy services to other persons by way of business in the UK.
16. ACCA supervised firms are required to monitor and manage their own compliance with the MLRs 2017 and make sure they are always familiar with the MLRs 2017 to ensure continuing compliance. The MLRs 2017 require firms to have in place anti-money laundering systems and controls that meet the requirements of the UK anti-money laundering regime.
17. ACCA also considers Anti-Money Laundering Guidance for the Accountancy Sector ("AMLGAS") updated in 2018 and 2022. AMLGAS is guidance based on the law and regulations as of 26 June 2017. It covers the prevention of money laundering and the countering of terrorist financing. It is intended to be read by anyone who provides audit, accountancy, tax advisory, insolvency, or trust and company services in the United Kingdom and has been approved and adopted by the UK accountancy AML supervisory bodies.
18. In October 2022, ACCA began an AML monitoring review of the firm. During the AML monitoring review, the AML Risk Assessment Questionnaire ("AML RAQ") was reviewed, which was completed by Mr Michael in November 2021.

19. In the 2021 AML RAQ, Mr Michael informed ACCA that a firm-wide risk assessment ("FWRA") had been conducted on a periodic basis, and that AML policy and procedures ("AML P&Ps") had also been conducted and updated on a periodic basis. The AML Team considered that this information appeared to be inaccurate because during the AML monitoring review, the firm provided one FWRA which was dated February 2022.
20. Mr Michael confirmed by email that this was the firm's first FWRA and which was created after the firm informed ACCA in the 2021 AML RAQ that it was already in place. Similarly, during the AML monitoring review, the firm provided one AML P&P, which Mr Michael confirmed by email was the firm's first AML P&P document and which was created in February 2022. This was created after the firm informed the AML Team, in the AML RAQ, that it was already in place.
21. The AML Team concluded that the firm did not have AML P&Ps in place prior to February 2022 as it had not implemented a formal Suspicious Activity Report ("SAR") process, e.g. where suspicious activity identified by employees are submitted using an internal SAR form.
22. In the AML Compliance Review Assessment Form, Mr Michael confirmed that only he had completed AML training. Therefore, it followed that the relevant employees have not received AML training. As formal AML training had not been provided to staff, AML Team considered that the firm was in breach of Regulation 24 of the MLRs 2017.
23. ACCA therefore asserted that Mr Michael had failed to comply with the following MLRs 2017:
- Regulation 18 – Risk assessment by relevant persons: Firm-wide risk assessment;
 - Regulation 19 – Policies, controls and procedures: AML policy and procedures, Escalation/Internal SAR;
 - Regulation 24 – Training.
24. In addition, on the AML RAQ, which Mr Michael completed in November 2021, the following questions were put to him:

"Have you, the MLRO, conducted a firm-wide risk assessment for the firm and is it documented?" and "Does the firm have documented AML Policies and Procedures in place?"

25. Mr Michael confirmed the following answers to both questions:

“Yes – and it is updated on a periodic basis”

26. During the AML monitoring review, a FWRA was provided which was dated February 2022, therefore the information on the AML RAQ appears to be incorrect. The information and documentation provided show that the firm did not conduct and document a FWRA until February 2022. Similarly, at the time of the AML monitoring review, the firm provided a copy of its AML P&Ps which had also been created in February 2022. Therefore, the information the member gave in the AML RAQ was incorrect.

27. The AML Team confirmed in an email on 26 June 2023 the following:

“The member made no reference to previous hand written documents during the review. On the contrary, the member actually confirmed during the AML review that the February 2022 FWRA and AML P&P were the first documents of their kind and there were no previous versions.. I’ve quoted the specific questions and answers below:

FWRA:

Q: Please confirm if this is your first firm-wide risk assessment or if one was completed prior to February 2022;

A: This is the first firm wide risk assessment. AML P&P;

Q: Please confirm is this is your first and only AML policy and procedures document;

A: This is the first manual.

28. The AML Team attempted to confirm with Mr Michael whether there were previous hand-written documents in existence prior to the review. ACCA requested evidence of previous versions to be provided, as it had been stated that none were in existence. During the AML review the Mr Michael confirmed that the February 2022 documents were the first versions of each.

Response of Mr Michael

29. Mr Michael was contacted by ACCA investigations team and asked to respond to the complaint made against him. He responded on 31 March 2023 to ACCA queries:

- (a) *We have formalised an FWRA and will continue to review it annually to ensure it complies with ACCA and AML regulations.*
- (c) *We did have AML policies and procedures. However, it was not formalised prior to Feb 2022. We now have a document in place, which we have provided and tailored to our practice.*
- (d) *We have instructed an external training provider to provide in-house AML training for all employees. Please see attached engagement letter. This will be performed annually. In addition, we are searching for an online course platform that all employees can use for training and updates. We couldn't provide the proof of AML training in time for ACCA review due to the engagement process.*

1.1 *We do not agree. We always had procedures in place now they are formalised and regular training will be provided.*

1.2 *We had an FWRA prior to Feb 2022. However, no change was required. Therefore the document was updated with Feb 2022.*

1.4 *We had an AML P&P prior to Feb 2022. However, no change was required. Therefore the document was updated with Feb 2022. In addition, we have gone a step further and will be getting all AML-related documents reviewed by a third party for possible improvements.*

1.6 *We confirm all documents were updated, and improved as well as training was arranged. Therefore we believe all possible allegations have been rectified.*

30. In response to further queries being raised by ACCA Mr Michael responded on the 19 April 2023:

"In the earlier questionnaire, we had an FWRA/AML P&P prepared which was written by hand. The one we prepared in February 2022 was the first one that was formalised and electronically documented. I did not realise you requested an earlier version otherwise I could have arranged to supply one. I have now electronically entered the information contained in the 2021 version and attach a copy.

Please accept my apologies for the misunderstanding from now on all will be electronically documented and saved to file."

31. Mr Michael returned the completed Case Management Form to ACCA on 23 November 2023. In response to 'Do you admit any these allegations?' Mr Michael selected 'No'. Mr Michael also stated:

"A manual system was in place prior to 2022 which wasn't documented electronically. I am of the opinion that this was not taken into consideration by the investigator. I can now confirm that we have provided in house training for all staff and this will continue to be done annually we will make sure that our practice will be kept up to date with the ACCA Anti-money Laundering Regulation"

ACCA Submissions

32. Mr Wigg referred to the written submissions and drew the Committee's attention to the witness statement of Mr Armstrong and the documents in the bundle.

Mr Michael's submissions

33. Mr Michael made submissions. Mr Michael referred to documents and responses he had provided to ACCA during the investigation and answered questions. He had not been dishonest, lacked integrity or was reckless.
34. Both Mr Wigg and Mr Michael made further closing submissions.

DECISION ON FACTS / ALLEGATION(S) AND REASONS

35. The Committee considered all of the documentary evidence before it and the submissions of Mr Wigg and Mr Michael.
36. The Committee accepted the advice of the Legal Adviser, which included reference to the applicable burden and standard of proof.

Allegation 1.1 – proved

37. The Committee, in reaching its determination, had regard to the wording of Allegation 1

and noted that it was alleged that Mr Michael had either failed to comply, or in the alternative, demonstrate compliance with the MLR 2017. Allegation 1.1 related to risk assessment and whether a paper copy of the policy existed and had been lost or as submitted by Mr Wigg, no such policy existed.

38. The Committee noted Mr Michael's submissions that [PRIVATE], required assistance in their use and had been in practice since the 1970s.
39. The Committee noted that Mr Michael had accepted in his responses that he had mislaid the document, it had never been produced to the AML Team. It therefore followed that he was unable to 'demonstrate compliance' to ACCA as required.
40. Accordingly, the Committee found Allegation 1.1 to be proved.

Allegation 1.2 – proved

41. The Committee noted that Allegation 1.2 arose from the same facts as allegation 1.1 as the policies, controls and procedures would have formed part of the FWRA and AML P&Ps, which Mr Michael informed ACCA on 31 March 2023 were handwritten and, as set out above, he submitted during the hearing had been mislaid in the move of his office and had never been produced to ACCA's AML Team.
42. Accordingly, the Committee found Allegation 1.2 proved.

Allegation 1.3 – proved

43. The Committee in finding Allegation 1.3 proved took into account Mr Michael's responses and submissions. Mr Michael had submitted that following his attendance at ACCA AML seminars he had a "discussion" with the staff and had provided the materials given to him by ACCA to the staff. In the Committee's view Mr Michael had failed on his own account to comply with the Regulation 24 as what he described was not sufficient to amount to the required MLR training. Further in the AML Compliance Review Assessment Form Mr Michael confirmed that only he, the MLRO, had completed AML training. Therefore, on his account the staff had not received AML training in breach of Regulation 24.
44. Accordingly, the Committee found Allegation 1.3 to be proved.

Allegations 2 - proved by admission

45. The Committee found Allegation 2 proved by Mr Michael's admission.

Allegation 3.1 - not proved

46. The Committee in determining allegation 3.1 noted that the allegation that Mr Michael was dishonest only applied to Allegation 2, which had been proved by admission. In reaching its decision the Committee noted Mr Michael was at the relevant time [PRIVATE] and had submitted that he did not use a computer, in November 2021 the FWRA was handwritten and it was only in February 2022 that it was transcribed onto a computer.
47. The Committee found the evidence on this issue vague and confusing. It noted Mr Michael had not produced a copy of the handwritten document, informing the Committee that it was lost. The Committee was also concerned that there was some element of recent embellishment in his recollection regarding the involvement of his son-in-law in the preparation of this document. The Committee noted that there was no evidence to support this contention. However, it accepted his account he did not use a computer and that prior to February 2022 that he made paper copies of documents.
48. The Committee also noted that there was no gain or benefit to Mr Michael by falsification of the questionnaire and there was an element of chaos in the management of his business. The Committee considered Mr Michael to be a helpful and frank witness who was not attempting to deceive the Committee. The Committee accepted that there may have been misunderstandings and errors in his responses to the AML Team.
49. The Committee concluded that it was more likely than not he was careless, negligent and reckless in his completion of the questionnaire rather than being dishonest or lacking in integrity.

Allegation 3.2 - not proved

50. For the reasons set out above at 3.1 the Committee finds allegation 3.2 not proved.

Allegation 4 – proved

51. For the reasons set out above at Allegation 1.1 the Committee finds allegation 4 proved. The Committee also found that Mr Michael had paid limited if any regard to the need to ensure that the AMLRAQ was accurately and correctly completed. Mr Michael submitted that there had been a paper copy of the FWRA amended by him. It was reckless of him not to demonstrate compliance with AML regulations and/or inform the AML monitoring review in February 2022 of the existence of the handwritten 2021 FWRA.

MISCONDUCT AND LIABILITY TO DISCIPLINARY ACTION

52. In relation to Allegations 1.1, 1.2, 1.3 2 and 4 the Committee considered that Mr Michael's failure to comply with his obligations as the MLRO was a serious breach of the regulations striking at the core role of the ACCA as regulator, to maintain standards and public confidence in the profession. In addition, his reckless conduct, Allegation 4, brought discredit upon Mr Michael, the accountancy profession and undermined public confidence in the ACCA.
53. The Committee found that Allegations 1.1, 1.2, 1.3, 2 and 4 taken together were serious and fell far below the standards to be expected of a member of the accountancy profession. The Committee found he was guilty of misconduct.

Amendment of Allegation 1

54. Mr Wigg applied to amend Allegation 1 to change the date range of the Allegation from *26 June 2017 to 24 February 2023* to read the *01 June 2021 to 24 February 2023*. The Committee had been provided with further documentation that showed that Mr Michael was excluded from membership between 2015 and September 2020 when he was readmitted by a decision of the Admission and Licensing Committee. Mr Michael informed the Committee that prior to becoming the MLRO he had completed some courses, and he did not take up this role until the middle of 2021.
55. The Committee accepted the advice from the Legal Adviser. The Committee permitted the amendment as it reflected the evidence in the case and could be made without unfairness to Mr Michael. Further there was clear evidence he had been excluded from membership until readmission in September 2020 and therefore could not be the firm's MLRO when excluded.

SANCTION(S) AND REASONS

56. Mr Wigg, the Case Presenter, made submissions on the appropriate and proportionate sanction. The Committee received advice from the Legal Adviser and in determining the appropriate and proportionate sanction considered the least restrictive sanctions first before moving onto the more serious ones.
57. Mr Michael submitted that the appropriate sanction was a Severe Reprimand and apologised for his misconduct and stated it would not be repeated.
58. The Committee considered what sanction, if any, to impose in the light of its findings, having regard to ACCA's Guidance for Disciplinary Sanctions (2026). It first sought to identify aggravating and mitigating factors.
59. In respect of mitigating factors, the Committee took account of Mr Michael's engagement in the investigatory process and the corrective steps taken to comply with the AML regulations. In the Committee's view there was limited mitigation.
60. The Committee also took into account Mr Michael's cooperation with the AML Team and his admission to Allegation 2.
61. The Committee considered the aggravating factors in relation to these allegations. In the Committee's view it was an aggravating factor that there was limited evidence of remorse and no persuasive evidence of insight into what the Committee considered to be serious breaches.
62. In addition, it was in the Committee's view an aggravating factor that Mr Michael had a disciplinary record which indicated that Mr Michael had failed over many years to have regard to his professional obligations as an ACCA member. The Committee noted that the present allegations related to an important part of Mr Michael's role as the MLRO and the importance of this role in the protection of the public. This was particularly relevant as Mr Michael had referred to the largely cash-intensive nature of the firm's clients' businesses.
63. The Committee considered that his misconduct was at the more serious end of the scale of reckless conduct, given that it related to his role as MLRO and ACCA's obligations to supervise money laundering regulations and its role in protecting the public.

64. The Committee took into account ACCA's Guidance for Disciplinary Sanctions. It noted the purpose of sanctions and that sanctions should be proportionate to the seriousness of the conduct found proved.
65. The Committee was provided with details of Mr Michael's previous disciplinary history. It noted Mr Michael's poor disciplinary record and his failure to abide by previous undertakings to his regulator and his previous breaches of standards, which took place over many years. It concluded that Mr Michael had a limited regard for his obligations to his regulator and the standards expected of a professional accountant. It also noted that the misconduct found proved took place shortly after Mr Michael had been re-admitted to membership after a lengthy period of exclusion imposed in 2015.
66. The Committee considered that taking no further action or imposing an admonishment was not sufficient to protect the public in the circumstances of the case. In the Committee's view these sanctions were at the lower end of the scale and did not reflect the seriousness of the misconduct found proved.
67. In respect of a reprimand the Committee considered the conduct to be serious and not minor. The Committee noted that there was very little evidence of insight and the Committee were not persuaded that Mr Michael properly understood the impact of his misconduct and the risks to the public arising. The Committee considered that exhibiting and demonstrating insight was an essential factor in Mr Michael demonstrating he understood the risks and impact arising from the repetition of the conduct in the future.
68. The Committee determined that given the lack of significant insight into what were, in its view very serious breaches, the Committee considered that a Severe Reprimand was not a sufficient sanction. It noted that there was a continuing risk to public confidence, a risk of repetition in respect of regulatory breaches and risk of damage to ACCA's reputation. In reaching this decision the Committee took into account Mr Michael's previous disciplinary record and his lack of compliance with directions of his regulator and obligations as a member of the profession.
69. The Committee considered the factors listed at C5.1 in the guidance. It noted that in addition to showing limited insight or remorse there was no reflection by Mr Michael or clear understanding of the impact of his misconduct. The Committee determined that Mr Michael had been reckless but not dishonest or lacking in integrity. However, the Committee considered that the risk of future breaches was high. Therefore, given the

seriousness of the misconduct and the risk of harm to the public, the appropriate and proportionate sanction was to exclude Mr Michael from Membership.

COSTS AND REASONS

70. Mr Wigg applied for costs totalling £8,345. He referred the Committee to the cost schedules and the principle that the member being disciplined should bear ACCA's costs. Mr Michael accepted he could pay ACCA's costs.
71. The Committee accepted the advice of the legal adviser and had regard to the Guidance on Costs issued by ACCA. The Committee was satisfied that the proceedings had been properly brought and that ACCA was entitled in principle to its costs. The Committee also recognised that it needed to consider the principle that the majority of those paying ACCA's fees should not be required to subsidise the minority who, through their own misconduct, have found themselves subject to disciplinary proceedings.
72. The Committee considered that given the time spent on the investigation and bringing the disciplinary proceedings the sums claimed were reasonable. The Committee determined that it was appropriate to make a reduction as the hearing had run for a full day and not into the second day. Therefore, the reasonable costs were assessed to be £7,055.
73. Mr Michael had not completed the statement of means form but he accepted that he had the means to pay the costs of ACCA. The Committee therefore directed that he pay £7,055 in costs.

IMMEDIATE ORDER

74. Mr Wigg submitted that if the Committee were minded to direct that the order come into effect immediately, an immediate order should be imposed.
75. The Committee considered it was not necessary for the order to come into effect immediately. The Committee concluded that any risk to the public could be mitigated within the appeal period, as AML procedures are now in place and the public is therefore protected.

ORDER

76. The Committee ordered as follows:

- (a) Mr Michael shall be excluded from ACCA Register.
- (b) Mr Michael shall make a contribution to ACCA's costs of £7,055.

Ms Ilana Tessler
Chair
21 August 2026