

CONSENT ORDERS HEARING

CONSENT ORDERS CHAIR OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

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| In the matter of: | Mr Bernard Brace |
| Heard on: | Thursday, 29 January 2026 |
| Location: | Remotely via Microsoft Teams |
| Chair: | Ms Avril O'Meara |
| Legal Adviser: | Mr Ashraf Khan |
| Outcome: | Severe Reprimand. Fine £5000. Cost £1,630 |

INTRODUCTION

1. The Chair has considered a draft Consent Order signed by the Respondent and by a signatory on behalf of ACCA, together with the supporting documents contained within the investigation bundle and costs schedules.
2. In reaching her decision, the Chair has had regard to Regulation 8 of the Complaints and Disciplinary Regulations 2014 (as amended) ("CDR"), together with ACCA's Consent Orders Guidance, Consent Orders FAQs, and the Guidance for Disciplinary Sanctions.
3. The Chair is satisfied that Mr Brace was aware that the draft Consent Order was being considered and that he had signed it. The Chair is also satisfied that

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Mr Brace was aware that he could withdraw his agreement in writing prior to approval. No such withdrawal has been received.

4. The Investigating Officer concluded the investigation in accordance with CDR 8 and was satisfied that:
 - i. an appropriate level of investigation had been conducted and that there was a real prospect of a Disciplinary Committee finding the allegations proved; and
 - ii. the admitted misconduct would be unlikely to result in exclusion from membership.

ALLEGATIONS

5. Mr Brace admitted the following allegations:
 1. *Between 26 June 2017 and 4 June 2025 failed on behalf of Firm A to comply with or demonstrate compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (“the MLRs 2017”), namely:*
 - (a) Regulation 18 (Risk assessment by relevant persons: Firm-wide risk assessment); and*
 - (b) Regulation 24 (Training).*
 2. *On or about 26 November 2021 and 18 April 2024, submitted or caused to be submitted to ACCA an AML Risk Assessment Questionnaire (“AML RAQ”) on behalf of Firm A which inaccurately stated that he had conducted and/or documented a Firm-wide Risk Assessment (“FWRA”) for Firm A and that it had been updated on a periodic basis when in fact he had not conducted and/or documented a FWRA for Firm A at those times.*
 3. *By reason of his conduct set out at allegation 1 above, Mr Brace failed to comply with Subsection 115 of ACCA’s Code of Ethics and Conduct (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).

4. *Mr Brace's conduct in respect of allegation 2 was reckless in that he declared that he had conducted and documented a FWRA in place at Firm A without proper regard as to whether this was true.*
5. *By reason of his conduct, Mr Brace is guilty of misconduct pursuant to by-law 8(a)(i).*

BRIEF FACTS

6. Mr Bernard Brace is an ACCA Fellow and was at all material times responsible for anti-money laundering compliance at Firm A, including acting as the firm's Money Laundering Reporting Officer.
7. Between 26 June 2017 and 4 June 2025, Firm A was required to comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, including obligations to maintain a firm-wide risk assessment and to ensure appropriate AML training for relevant staff.
8. During that period, Firm A did not have a properly documented firm-wide risk assessment in place, and AML training requirements were not adequately met.
9. On or about 26 November 2021 and 18 April 2024, Mr Brace submitted or caused to be submitted to ACCA AML Risk Assessment Questionnaires on behalf of Firm A which stated that a firm-wide risk assessment had been conducted and periodically updated.
10. In fact, at those times, no such firm-wide risk assessment had been conducted and/or documented for Firm A.

11. Following regulatory engagement by ACCA, Mr Brace accepted that he had failed to comply with the relevant AML requirements and acknowledged that he had not met the training obligations.
12. Mr Brace provided written representations explaining his position and state of mind in relation to the AML questionnaires and the absence of a documented firm-wide risk assessment.
13. Mr Brace subsequently undertook remedial steps, including implementing a firm-wide risk assessment framework and addressing training arrangements.

DECISION ON ALLEGATIONS AND REASONS

14. In accordance with Regulation 8 of the Complaints and Disciplinary Regulations 2014 (as amended), the Chair has the power to approve or reject the draft Consent Order or to recommend amendments. The Chair may only reject a signed draft Consent Order if she is satisfied that the admitted misconduct would more likely than not result in exclusion from membership.
15. The Chair is satisfied that the Investigating Officer conducted an appropriate level of investigation and that there is a real prospect of a Disciplinary Committee finding the allegations proved, and that the admitted misconduct would be unlikely to result in exclusion from membership.
16. The Chair is satisfied that Mr Brace was aware of the terms of the draft Consent Order, had signed it, and was aware that he could withdraw his agreement in writing prior to approval. No such withdrawal has been received.
17. The Chair has considered the investigation bundle, the signed Consent Order and Mr Brace's written representations.
18. On the basis of the documentary evidence and Mr Brace's admissions, the Chair finds the following:

Allegation 1 is proved.

Allegation 2 is proved.

Allegation 3 is proved.

Allegation 4 is proved.

Allegation 5 is proved.

19. Having regard to the explanations provided by Mr Brace, his written correspondence to ACCA, and the surrounding circumstances disclosed by the evidence, the Chair is satisfied that the appropriate characterisation of his conduct in Allegation 2 is recklessness rather than dishonesty, and that the pleaded allegation of recklessness at 4 is made out.
20. By reason of the matters found proved at Allegations 1 to 4, the Chair is satisfied that Mr Brace is guilty of misconduct pursuant to bye-law 8(a)(i), as alleged at Allegation 5.

SANCTION AND REASONS

21. In determining whether to approve the proposed sanction, the Chair has had regard to ACCA's Guidance for Disciplinary Sanctions. The Chair has applied the overarching regulatory objectives of protecting the public, maintaining public confidence in the profession and in ACCA, and upholding proper standards of conduct and performance.
22. The Chair adopted the required "bottom-up" approach to sanction, first considering whether no order, admonishment or reprimand would adequately mark the seriousness of the misconduct.
23. The Chair concluded that such outcomes would be insufficient in this case, given the prolonged period of non-compliance, Mr Brace's role as the firm's Money Laundering Reporting Officer, the central importance of AML compliance to public protection, and the risks created by the failures identified.

24. The Chair therefore considered whether a Severe Reprimand would be appropriate, applying paragraphs C4.1–C4.5 of the Sanctions Guidance, and identified the following aggravating and mitigating features.

Aggravating Factors

25. The Chair placed weight on:

- the extended duration of the AML failures;
- Mr Brace's senior role and personal responsibility for AML compliance;
- the regulatory importance of firm-wide risk assessment and training;
- the reckless nature of the inaccurate AML declarations; and
- the risks posed to the public and to the reputation of the profession by such failures.

Mitigating Factors

26. The Chair took into account:

- Mr Brace's admissions and cooperation throughout the investigation;
- the remedial steps taken following regulatory intervention;
- the insight demonstrated into his failings;
- the absence of any finding of dishonesty;
- the absence of identified client loss or harm; and
- Mr Brace's previous good disciplinary history.

27. The Chair was satisfied that both the aggravating and mitigating factors relied upon were supported by the documentary evidence.

28. The Chair then considered the next most serious sanction, namely exclusion from membership. Although the conduct continued over a lengthy period, the Chair concluded that exclusion would be disproportionate in all the circumstances, particularly in light of the mitigating features and the absence of dishonesty.

29. In accordance with the AML-specific provisions of the Sanctions Guidance, the Chair positively considered the imposition of a financial penalty to mark the seriousness of the misconduct and to provide appropriate deterrence.
30. The Chair concluded that a fine of £5,000 is appropriate and proportionate, when combined with a Severe Reprimand, having regard to the nature of the misconduct, the risks created, and the need to maintain public confidence.
31. The Chair is satisfied that the sanction of Severe Reprimand together with a fine of £5,000 properly reflects the seriousness of the misconduct and meets the regulatory objectives.

COSTS AND REASONS

32. The Chair considered the agreed costs schedules provided by ACCA and noted that the total costs sought are £1,630.
33. The Chair reviewed both the simple and detailed costs schedules and was satisfied that the sums claimed relate to investigation, preparation and the hearing.
34. The Chair is satisfied that the work undertaken and the time recorded were reasonable and proportionate to the issues under investigation and were incurred at an appropriate level.
35. The Chair took into account that the consent order process is intended to facilitate early disposal of cases, and that the costs claimed are significantly lower than would be expected had the matter proceeded to a contested disciplinary hearing.
36. Mr Brace has agreed to pay the proposed costs and no evidence has been advanced to suggest that he is unable to do so.
37. In all the circumstances, the Chair concluded that a costs order in the sum of £1,630 is appropriate and proportionate.

ORDER

38. The Chair approves the Consent Order.

39. In summary:

- i. Mr Bernard Brace shall be Severely Reprimanded;
- ii. Mr Bernard Brace shall pay a fine of £5,000 to ACCA;
- iii. Mr Bernard Brace shall pay costs of £1,630 to ACCA.

Ms Avril O'Meara
Chair
29 January 2026