

HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Gavin James Brown

Heard on: Wednesday, 20 May 2026

Location: Remote link via Microsoft teams

Committee: Mr Andrew Gell (Chair),
Ms Andrea White (Accountant)
Professor Roger Woods (Lay)

Legal Adviser: Mr Alastair McFarlane

Persons present

and capacity: Mr Mazharul Mustafa (ACCA Case Presenter)
Mr Matthew Corrie (Counsel for Mr Brown)
Mr Gavin James Brown (ACCA Member)
Miss Nicole Boateng (Hearings Officer)

Outcome: Exclusion from membership and costs awarded to
ACCA in the sum of £5,818

INTRODUCTION

1. ACCA was represented by Mr Mustafa. Mr Brown attended and was represented by Mr Corrie. The Committee had before it a Bundle of papers, numbered pages 1 – 223, and a Service Bundle numbered pages 1 – 19 and a Defence Bundle from Mr Brown numbered pages 1-325, a Supplementary Bundle containing further character references, numbered pages 1-6 and an Additional Bundle numbered pages 1-9.

SERVICE

2. Having considered the Service Bundle, the Committee was satisfied that notice of the hearing was served on Mr Brown in accordance with the Complaints and Disciplinary Regulations 2014 (“CDR”).

ALLEGATIONS

Mr Gavin Brown, a member of the Association of Chartered Certified Accountants (‘ACCA’).

1. On or about 30 April 2021, provided information and documentation to ACCA asserting that he had in place, and was applying due diligence procedures so as to comply with The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017).
2. In respect of Allegation 1 above Mr Brown was dishonest in that he sought to represent that:
 - a) He had established and applied due diligence procedures as required by regulations 27-32 MLRs 2017 when he knew this not to be true.
3. On or about 11 May 2021, provided information and documentation to ACCA asserting that he had undertaken and documented a Firm-Wide Risk Assessment dated February 2020, so as to comply with The MLRs 2017.
4. In respect of Allegation 3 above Mr Brown was dishonest in that he sought to represent that:
 - a) He had undertaken and documented a Firm-Wide Risk Assessment in February 2020 as required by Regulation 18 MLRs 2017 when he knew this not to be true.

5. In the alternative, in respect of the conduct referred to in Allegations 2 and 3 above, Mr Brown failed to demonstrate integrity.
6. Between 26 June 2017 and July 2021 failed on behalf of his firm to comply with, or demonstrate compliance with, the requirements of the MLRs 2017, namely:
 - a) Regulation 18 (risk assessment by relevant persons)
 - b) Regulation 27-32 (customer due diligence: general)
7. By reason of his conduct, Mr Brown is:
 - a) Guilty of misconduct pursuant to Bye-law 8(a)(i) in respect of any or all of the matters set out above.

BACKGROUND

3. Mr Brown became an ACCA member on 6 June 2009 and an ACCA Fellow on 6 June 2014 and holds an ACCA practising certificate.
4. Mr Brown was referred for investigation by Mr Steven Armstrong on 24 August 2021 further to Mr Armstrong's review of Mr Brown's firms, Firm A and Firm B and their compliance with the MLRs 2017.
5. The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ("MLRs 2017") came into force on 26 June 2017. They apply to, amongst others, anyone providing accountancy services to other persons by way of business in the UK. ACCA firms must also have regard to the Central Council of Accounting Bodies ("CCAB")'s Anti-Money Laundering Guidance for the Accountancy Sector ("AMLGAS").
6. Mr Brown is principal of and Money Laundering Reporting Officer ("MLRO") of Firm A and Firm B. As a holder of an ACCA practising certificate, ACCA acts as Mr Brown's anti-money laundering ("AML") supervisor and monitors his and the firm's compliance with the MLRs 2017.

7. By virtue of Regulation 18(1) of the MLRs 2017, from 26 June 2017 Mr Brown was required to take appropriate steps to identify and assess the risks of money laundering and terrorist financing to which the firm is subject.
8. In carrying out such a risk assessment, Regulation 18(2) of the MLRs required that Mr Brown consider:
 - a) Information made available to him by ACCA under MLRs 17(9) and 47.
 - b) Risk factors including factors relating to the firm's:
 - i. Customers;
 - ii. The countries or geographic areas in which the firm operates;
 - iii. Products or services;
 - iv. Transactions; and
 - v. Delivery channels.
9. In deciding what steps were appropriate under Regulation 18(1), Mr Brown was required to consider the size and nature of the firm's business, keep an up-to-date written record of all the steps taken under Regulation 18(1) of the MLRs 2017 and provide the risk assessment prepared and the information on which the risk assessment was based, to ACCA upon request.
10. On 30 April 2021 Mr Armstrong carried out a desk-based, routine monitoring review in relation to Mr Brown's Firm A, the purpose of which was to monitor compliance with the MLRs 2017.
11. The review included a telephone interview with Mr Brown on 30 April 2021 which was recorded and later transcribed.
12. In the interview Mr Brown confirmed that he had undertaken a Firm-Wide Risk Assessment annually, the first having been undertaken in the last 4-5 years. He further stated that the Firm-Wide Risk Assessment had been documented and saved as hardcopies at his home address.
13. In relation to Customer Due Diligence Mr Brown confirmed that they had a checklist and that ID is obtained. He stated that:

‘...[REDACTED] was more blasé with it. It wasn’t an exact science but we were aware of the conditions. Since [their] retirement...we would certainly do it (complete the checklist) at the onboarding process...’

14. The Firm was found to be non-compliant as follows:

Client Due Diligence (“CDD”)

15. Three client files were reviewed: Company A; Company B and Firm C.
16. The review showed that the Firm captures CDD and on-going monitoring information on ‘know your client’ (“KYC”) forms. This was confirmed by Mr Brown in his telephone interview of the 30 April 2021.
17. The evidence provided suggests that the firm had potentially forged and backdated the KYC forms for two of their clients to make it appear that the control has been in place longer than it has.
18. The ACCA’s client risk assessment tool and the “Know Your Client” (“KYC”) form was published in June 2020. All the documents provided for the review used the ACCA’s June 2020 KYC form. However, two were purported to have been created prior to June 2020.
19. The documents filed on the Company A file note the completion of the KYC document as 18 July 2019. The Firm C file contains two completed KYC forms one dated 10 October 2016 and the other 16 August 2018.
20. ACCA AML emailed Mr Brown on the 12 May 2021 asking for confirmation that these forms were ‘*completed at the time of on-boarding each client and completed during each annual review of the clients?*’ On the 18 May 2021 Mr Brown responded answering ‘*Yes, that is correct*’.
21. Mr Armstrong noted that as the ACCA client risk assessment tool and the KYC form were not published until June 2020, they could not have been completed on the dates recorded on the client’s files.

Firm-Wide Risk Assessment

22. During the telephone interview undertaken on 30 April 2021 Mr Brown confirmed a Firm-Wide Risk Assessment (“FWRA”) had been conducted annually for the past four or five years and that these were saved as hard-copies at his home address.
23. ACCA sent an email on the 30 April 2021 following on from the telephone interview earlier that day, requesting a *‘Copy of the current and any previous firm wide risk assessments’*.
24. Mr Brown emailed an ‘AML - Firm Wide Risk Assessment 2021’ on 11 May 2021. The creation date of this document is 11 May 2021.
25. Following an initial review of the information provided, ACCA sent a further email on 12 May 2021 reiterating the request for *‘all previous firm-wide risk assessments which have been conducted in the format they were completed at the time’* as only one FWRA had been provided.
26. Mr Brown replied on 18 May 2021 that *‘we have recently changed servers and I am struggling to find historic copies / versions of these...’*. In an email 9 June 2021 Mr Brown stated that:

‘The firm wide assessments had been prepared electronically, but I do tend to keep paper copies of most internal things. A change of home address and a change of servers it appears that these have been misplaced’
27. Mr Brown further stated that in relation to the metadata details:

‘I can only assume this is a reflection of my downloading this from an old pc onto a memory stick and subsequently passing this onto you via email. At transfer process/saving process I can only assume this had altered the information.’
28. No Firm-Wide Risk assessment has therefore been evidenced prior to 11 May 2021.

29. On 24 August 2023 Mr Armstrong referred Mr Brown to ACCA's Assessment/Investigations Team in relation to potential breaches of the MLRs 2017.
30. On 16 May 2022 a Senior Investigations Officer wrote to Mr Brown. On 14 June 2022 Mr Brown responded that he was appointed as MLRO in 2017 and his responses included the following:

Firm-wide Risk Assessment

- *"The [REDACTED]...did not see the benefit, or support me in my role in enforcing money laundering checks...I attempted on many occasions to implement procedures and policies however was overruled by [REDACTED] exited the firm in [REDACTED] and since then we have worked hard to bring all areas on the firm up to date, to ensure compliance is met and well documented."*
- *That the date of February 2020 on the Firm-Wide Risk Assessment provided to ACCA was 'erroneous. I cannot recall the date this assessment was completed but it was within the period of the Money Laundering interview taking place, circa Jul 2021.'*
- *'I can confirm that there had not been risk assessments completed, (prior to February 2020) for the reasons noted above.'*

Customer Due Diligence

- *The date of the '18 July 2019' on the [Company A] form is 'erroneous as the date of the documents held by us is later than that date...'*
- *The date of the 16 August 2018 on the [Firm C] form 'is erroneous as the date of the documents held by us is later than that date.'*
- *In relation to his email of the 18 May 2022 and confirmation that the Company A and Firm C forms were completed at the time of on-boarding each client, Mr Brown stated that '[Company A] was in fact a client of the*

[REDACTED], *who...was not willing to partake in the AML policies needed in the firm. Therefore this was done retrospectively...*

ACCA'S SUBMISSIONS

31. ACCA submitted that the facts set out in Mr Armstrong's review of the firm, and the evidence provided and Mr Brown's admissions established the allegations. It further submitted that the conduct was serious enough to reach the threshold for misconduct.

MR BROWN'S SUBMISSIONS

32. Mr Brown admitted each of the Allegations 1 to 6 and that his conduct reached the threshold to be categorised as misconduct as set out in Allegation 7. He provided a detailed explanation of his conduct in his witness statement dated 29 April 2026.

DECISION ON ALLEGATIONS AND REASONS

33. The Committee accepted the advice of the Legal Adviser.
34. Mr Brown admitted each of the Allegations 1 to 6 and that his conduct reached the threshold to be categorised as misconduct as set out in Allegation 7. He had stated this in his response to the Case Management Form and in his witness statement, dated 29 April 2026. These admissions, including the allegations of dishonesty, were confirmed by his Counsel, Mr Corrie.
35. The Committee was satisfied that his admissions were clear and unequivocal. It was satisfied that it was appropriate to exercise its power under Complaints and Disciplinary Regulations 12 (3) c) and accordingly found each of the Allegations 1 to 4 and 6 proved by virtue of Mr Brown's admissions (Allegation 5 was an alternative to Allegation 4 and so was not considered).
36. The Committee next asked itself whether, having been dishonest, Mr Brown was guilty of misconduct.

37. The Committee had regard to the definition of misconduct in Bye-law 8(c) and the assistance provided by the case law on misconduct. It was satisfied that Mr Brown's actions brought discredit on him, on ACCA and the accountancy profession. Breaches of the AML Regulations were serious given their importance. It was satisfied that dishonestly representing that he had established and applied due diligence procedures and that he had undertaken and documented a Firm-Wide Risk Assessment as required by the MLRs, when he knew this was not true was deplorable conduct. He sought to mislead his regulator by providing false documents. His conduct clearly reached the threshold of seriousness for misconduct. Being honest and trustworthy is a fundamental tenet of the accountancy profession. Further, the Committee was satisfied that failing to comply with the requirements of the MLRs for over four years, as set out in Allegation 6, also reached the threshold for misconduct. The Committee was satisfied that his conduct undermined the integrity of the profession and public confidence. Accordingly, the Committee was satisfied that he was guilty of misconduct as alleged in Allegation 7 (a).

SANCTIONS AND REASONS

38. The Committee noted its powers on sanction were those set out in Regulation 13(1). It had regard to ACCA's Guidance for Disciplinary Sanctions and bore in mind that sanctions are not designed to be punitive and that any sanction must be proportionate. It accepted the advice of the Legal Adviser.
39. The Committee considered that the conduct in this case was very serious. The Committee had specific regard to the public interest and the necessity to declare and uphold proper standards of conduct and behaviour. Being honest is a fundamental requirement of any accountant.
40. The Committee carefully considered the submissions of Mr Mustafa for ACCA and Mr Corrie for Mr Brown. It also carefully considered the detailed witness statement from Mr Brown. In particular, the Committee noted Mr Brown's explanation to the background to his conduct; his expressions of apology and regret; his acknowledgement that his *"conduct fell well below the standards expected of an ACCA member and breached fundamental*

principles of the ACCA..." and that he "provided predated documents", which was dishonest and compromised his integrity. At Paragraph 26 of his statement Mr Brown stated in relation to honesty:

"It is fundamental to our profession and crucially, it undermined the trust that must exist between a member and their regulator. ACCA relies on members to be open and honest in their communications, particularly during regulatory reviews. By failing to present the true position at the relevant times, I fell short of the high ethical standards expected of me as an ACCA member. This was a serious misjudgement and something I truly regret."

At Paragraph 28 Mr Brown said:

"I appreciate that such conduct has the potential to damage public confidence in the accountancy profession. The public expects accountants to uphold the highest standards of integrity and to play a vital role in safeguarding the financial system against abuse. I fully understand why the Committee takes these matters so seriously. Maintaining public confidence is essential to the credibility and standing of the entire profession".

41. The Committee also noted the reflection undertaken and the steps detailed by Mr Brown that he has taken to remediate his conduct.
42. The Committee identified the following mitigating factors:
 - Mr Brown was of good character with no previous disciplinary record
 - Mr Brown made full admissions
 - He has expressed regret and remorse and apologised for his conduct
 - He has demonstrated remediation of the AML breaches
 - He has provided relevant testimonials
 - He has shown good insight
 - There was no evidence of actual harm to the public.
43. The Committee identified the following aggravating factors:
 - The conduct was over a prolonged period.

- There was deliberate misconduct with the submission of false documentation to mislead his regulator.
 - His conduct amounted to an abuse of trust.
 - His breaches allowed the potential for money laundering.
44. Given the Committee's view of the seriousness of Mr Brown's conduct, it was satisfied that the sanctions of No Further Action, Admonishment, Reprimand were insufficient to highlight to the profession and the public the gravity of the proven misconduct.
45. In considering a Severe Reprimand, the Committee noted that a majority of the factors listed at C4 in the Guidance were present. It then asked itself whether a Severe Reprimand was a sufficient sanction even if combined with a Fine. In assessing this the Committee specifically considered the issue of protection of the public, the maintenance of the reputation of the profession and the need to declare and uphold proper standards of conduct.
46. The Committee was satisfied that Mr Brown did not present a risk to the public. There were impressive testimonials from clients who expressed their confidence in him whilst knowing about the facts of this case. Further, and more significantly, the Committee considered that Mr Brown has demonstrated that he now has appropriate AML procedures in place to ensure compliance with his AML obligations that will ensure protection of the public. In these circumstances, the Committee considered that the risk of repetition was negligible.
47. The Committee then considered the issue of upholding the reputation of the profession and the need to uphold proper professional standards. With these considerations in mind, the Committee was satisfied that in the circumstances a Severe Reprimand was not a sufficient and proportionate sanction given the seriousness of the conduct. The dishonesty not only consisted of misleading ACCA in his AML interview, but then, significantly compounding it by providing his regulator with four fabricated documents. Whilst the Committee was mindful that there was nothing automatic about the appropriate and proportionate sanction for dishonesty, it was mindful of the seminal observations of Sir Thomas Bingham MR (as he then was) in *Bolton v Law Society* where he said "*the reputation of the profession is more*

important than the fortunes of any individual member. Membership of a profession brings many benefits, but that is part of the price.”

48. The Committee had regard to Sections E2 of the Guidance on Dishonesty and the seriousness of such a finding on a professional. It considered that factors a, c, d, f, g and h (serious departure from relevant professional standards; abuse of trust; dishonesty; conduct over a prolonged period; potential to affect members of the public and attempt to cover up the misconduct) listed at C5 of the Guidance for removal, applied in this case. Whilst the Committee accepted the background to the misconduct as explained by Mr Brown it did not consider that the mitigation was so remarkable or exceptional that it warranted anything other than exclusion from membership. The Committee was satisfied that Mr Brown’s conduct was fundamentally incompatible with remaining on the register. The Committee was satisfied that only removal from the register was sufficient to mark the seriousness to the profession and the public.
49. The Committee did consider whether or not to impose a Fine in addition to the exclusion but determined that this would be disproportionate in the circumstances.

COSTS AND REASONS

50. ACCA claimed costs of £8,903 and provided a Schedule of costs. The Committee noted Mr Corrie did not oppose the imposition of an order. The Committee decided that it was appropriate to award costs in this case, and considered the costs claimed to be reasonably incurred. The Committee however noted that the case had concluded in less time than the originally scheduled two days and it was appropriate to make a reduction for this. It concluded that the proportionate and appropriate amount of costs was £5,818. Accordingly, it ordered that Mr Brown pay ACCA’s costs in the amount of £5,818.

EFFECTIVE DATE OF ORDER

51. The Committee was not satisfied that it has been established that it was in interests of the public to make an immediate order. This order shall take effect

from the date of the expiry of the appeal period unless notice of appeal is given prior to the expiry of that period, in which case it shall become effective (if at all) as described in the Appeal Regulations.

Mr Andrew Gell
Chair
20 May 2026.