



# *Disciplinary Orders and Regulatory Decisions*

**DATE PUBLISHED: 7 JUNE 2017**

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## DISCIPLINARY COMMITTEE TRIBUNAL ORDERS

**1 Miss Gillian Ruth Barrett FCA** of  
34 Greenfield Avenue, SURBITON, SURREY, KT5 9HR.

**A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 7 February 2017**

**Type of Member** Member

### Terms of complaint

1. Between 31 May 2012 and 23 July 2013, Miss Gillian Barrett FCA breached ICAEW Code of Ethics, Section 140 'Confidentiality' in that
  - a) She sent financial records and information held by 'A' LLP to her personal email account via the firm email account as specified in schedule A, B, C1-10 and D1-6;
  - b) She sent documents held by 'A' LLP concerning 'B' to her personal email account via the firm email account as specified by schedule I;
  - c) She provided details of an email concerning an internal fee quotation for a client of 'A' LLP to 'C' as specified in schedule E;
  - d) She provided information and financial records held by 'A' LLP to 'D' as specified in schedule F and D item 7;
  - e) She provided information and 'client lists' belonging to 'A' LLP to 'E' and / or 'F' as specified in item G;
  - f) She provided information belonging to 'A' LLP to 'G' as specified in schedule H;
  - g) She gave a quotation to a client using fees quoted by 'A' LLP as a comparison as specified in schedule D item 12

And that she knew this information was confidential or was reckless as to whether this information was confidential.

Miss Gillian Ruth Barrett is therefore liable to disciplinary action under Disciplinary Bye-law 4.1.a. ....in the course of carrying out professional work or otherwise [she] has committed any act or default likely to bring discredit on [herself], the Institute or the profession of accountancy

### Hearing date

7 and 8 February 2017

### Previous hearing date(s)

N/A

**Pre-hearing review or final hearing** Final Hearing

<b>Complaint found proved</b>	Yes, in part.
<b>All heads of complaint proven</b>	Yes
<b>Parties present</b>	Miss Barrett was present.
<b>Represented</b>	Miss Barrett was represented by her solicitor, Mr Christopher Cope. The Investigation Committee (IC) was represented by Mr. James Francis.
<b>Hearing in public or private</b>	The hearing was in public.
<b>Decision on service</b>	In accordance with regulations 3-5 of the Disciplinary Regulations, the tribunal was satisfied to service.
<b>Documents considered by the tribunal</b>	The tribunal considered the documents contained in the IC's bundle together with the Miss Barrett's Bundle, her Regulation 13 Answers and a bundle of some existing evidence placed for convenience into a Bundle by the IC called "Schedule A" and "Document 7"

## **The Investigation Committee's (IC's) case**

### **The ICAEW Code of Ethics Section 140 – Confidentiality**

The ICAEW's Fundamental Principle of confidentiality stipulates that a professional accountant shall:

*"...respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the professional accountant or third parties"*  
(Section 100.5 (d))

Section 140 of the Code of Ethics explains the Principle of Confidentiality. The main principles are as follows:

*140.0 The principle of confidentiality is not only to keep information confidential but also to take all reasonable steps to preserve confidentiality. Whether information is confidential or not will depend on its nature. A safe and proper approach for professional accountants to adopt is to assume that all unpublished information about a client's or employer's affairs, however gained, is confidential. Some clients or employers may regard the mere fact of their relationship with a professional accountant as being confidential.*

*140.1 The principle of confidentiality imposes an obligation on all professional accountants to refrain from:*

- a. *Disclosing outside the firm or employing organisation any confidential information acquired as a result of a professional and business relationship without proper and specific authority or unless there is a legal or professional right or duty to disclosure; and*
- b. *Using confidential information acquired as a result of professional and business relationships to their personal advantage or the advantage of third parties.*

*140.4 A professional accountant shall maintain confidentiality of information within the firm or employing organisation.*

## **Brief Background**

1. From 9 June 1997 until 1 June 2012, the defendant was employed as an accountant in public practice by a firm of Chartered Accountants called 'H'. She was a Responsible Individual there.
2. On 1 June 2012, part of the business of 'H' was acquired by another firm called 'A' LLP and, as a result, and by virtue of the Transfer of Undertakings (Protection of Employment) Regulations ("TUPE"), the defendant became an employee of 'A' LLP. The 'H' client base was acquired because Mr 'E' and Mr 'H', its principals, wanted to retire from full time practice; however, they became consultants of 'A' LLP.
3. At 'A' LLP, the defendant was given the title of "Director", she was a Responsible Individual and was paid a salary. Her employment at 'A' LLP was regulated by a contract of employment dated 9 May 2012.
4. Clause 26.2 of the contract of employment says (page 29):  
*26.2 You may not without prior written consent of the Company engage, whether directly or indirectly in any business or employment which is similar to or in any way competitive with the business of the Company outside your hours of work for the Company without permission.*  
By a letter from 'H' dated 9 May 2012, the defendant was permitted under clause 26.2 to continue to work for family, friends and acquaintances and to prepare books for a playgroup for financial reward.
5. The contract of employment also contained clauses on job title, salary, office hours and other standard clauses. The contract further contained the following clauses:

### **18 Code of Ethics (page 25)**

*18.1 The reputation of the Institute of Chartered Accountants and its members has to a great extent been established by adherence of members to the strict code of conduct and the professional ethics. All team members in this company are expected to adhere to a high standard of personal conduct such as to avoid any possible damage to the reputation either of the Institute or of this company.*

## **19 Confidentiality (page 25)**

19.1 You shall at all times, both during the terms of and after the termination of your employment with the Company, keep secret (except to the extent that disclosure is authorised by the Company), and use only for the purposes of the Company all information which is of confidential nature and of value to the Company including, without limitations: 19.1.3 business methods and information of the Company (including prices charged, discounts given to clients or obtained from suppliers, transport rates, marketing and advertising programmes, costing, budgets, turnover, sales targets or other financial information);

19.1.4 lists and particulars of the Company's suppliers and clients and the individual contracts at such suppliers and clients;

19.1.5 know-how or methodologies employed by the Company or its suppliers;

19.1.6 confidential details as to the design of the Company or its supplies, products, services and inventions or developments relating to future products or services;

19.2 whether or not in the case of documents or other carriers of information they are or were marked confidential. This restriction shall apply without limit in point of time but shall cease to apply to information or knowledge which shall come (otherwise than by breach of this clause by you or any other person) into the public domain.

19.3 Upon termination of your employment, howsoever arising you shall forthwith return all documents or other carriers of information and all property in your possession, custody or control of the Company or its clients or suppliers.

\*\*

## **23 Restrictive Covenants (page 26)**

The definitions and rules of interpretation in this clause apply to this agreement.

(6 definitions omitted)

**Confidential information:** information (whether or not recorded in documentary form, or stored on any magnetic or optical disk or memory) which is not in the public domain relating to business, products, affairs and finances of the Company for the time being confidential to the Company and trade secrets including, without limitation, technical data and know-how relating to the business of the Company or any of its business contacts.

**Restricted Business:** the business of the Company with which the Employee was involved to a material extent in the 12 months before Termination.

**Restricted Client:** any firm, limited liability partnership, company or person who, during the 12 months

### **23.1 Post – Termination restrictions (page 27)**

23.1.1 In order to protect Confidential Information and business connections of the Company to which he has access as a result of the Employment, the employee covenants with the Company that he shall not:

a. for 6 months after Termination, solicit or endeavour to entice away from the Company the business or custom of a Restricted Client with a view to providing goods or services to that Restricted Client in competition with any Restricted Business;

*b. omitted*

*c. omitted*

*d. for 6 months after Termination, be involved with the provision of goods or services to (or otherwise have any business dealings with) any Restricted Client in the course of any business concern which is in competition with any Restricted business; or*

*e. omitted*

6. 'H' also employed a person called 'D'. Her employment passed to 'A' LLP on 1 June 2012. Miss 'D' was given notice of redundancy on 23 October 2012, was placed on garden leave and left her employment on 2 January 2013. After she left 'A' LLP, Miss 'D' practised accountancy on her own.
7. 'C' was a bookkeeper. She was a subcontractor of 'H' and, after 'H' was acquired by 'A' LLP, a subcontractor of 'A' LLP.
8. 'G' was an employee of 'A' LLP who resigned in April 2012 and left her employment in June 2012.
9. The defendant gave notice terminating her employment with 'A' LLP in March 2013. She worked out her notice period and her employment terminated in June 2013.
10. After the defendant left her employment, 'A' LLP became concerned about her use of confidential information.
11. On 25 October 2013, 'A' LLP instructed its solicitors to write a letter of claim to the defendant in which it threatened legal proceedings against her unless she provided certain undertakings regarding confidential information. The same proceedings were threatened against 'D'.
12. Litigation never began because the dispute was settled without formal proceedings. However, in the course of settling the matter, the defendant affirmed an affidavit dated 11 November 2013 in which she stated at paragraph 5, amongst other things:  
  
*"Following the purchase of 'H's business by 'A' LLP (and without re-living experiences I have no wish to return to) I was unsure whether I would continue to be employed by 'A' LLP or indeed whether I wished to remain an employee of 'A' LLP. As a result I did email myself client documents which I thought might be useful if I were to leave 'A' LLP. I was not actively planning to compete with 'A' LLP but I wanted to keep my options open...."*
13. The litigation settled on the basis of no admission of liability, with the defendant paying to 'A' LLP the sum of £45,000 in full and final settlement of all claims.

#### **Complaint Particular (a)**

14. The defendant worked from home from time to time. She had the use of a laptop provided by 'A' LLP. She owned a private email address. 'A' LLP used the SAGE and SAPA accounting and software systems.

15. Between 12 July 2012 and 16 December 2012, the defendant sent on six separate occasions information about clients' affairs, including information about their tax affairs and some management accounts, from her 'A' LLP email address to her personal email address.
16. On 17 August 2012, the defendant sent 10 ZIP files containing SAPA backups from her 'A' LLP email address to her personal email address. The identity of the client to which the SAPA work relates is not known.
17. Between 28 October 2012 and 24 February 2013, the defendant sent in 11 specific instances SAGE backups relating to four clients from her 'A' LLP email address to her personal email address. Two of those clients later became the defendant's clients after she left 'A' LLP.
18. On 20 December 2012 and 7 January 2013, the defendant sent in 5 specific instances scanned copies of the final accounts she had prepared for five clients from her 'A' LLP email address to her personal email address. One of those clients later became the defendant's client after she left 'A' LLP.
19. In none of the instances referred to above did the defendant act with 'A' LLP's specific knowledge and/or consent. It is alleged by the IC that her actions were in breach of confidence and in particular were a breach of Code of Ethics 140.

#### **Complaint Particular (b)**

20. 'A' LLP had a client called 'B' Ltd. Between 14 July 2012 and 15 January 2013 on six separate occasions the defendant sent from her 'A' LLP email address to her personal email address 11 items of data about that client including management accounts, a SAPA file and various excel spreadsheets. 'B' Ltd later became a client of the defendant.
21. In none of the instances referred to above did the defendant act with 'A' LLP's knowledge and/or consent. Her actions were in breach of confidence and in particular were a breach of Code of Ethics 140.

#### **Complaint Particular (c)**

22. Between 19 and 20 December 2012 an email chain was created between a client of 'A' LLP and the defendant and the principals of 'A' LLP regarding that client's request for a quotation for accounting services. Later on 20 December 2012, the defendant sent that email chain from her 'A' LLP email address to her personal email address. Later still on 20 December 2012, the defendant forwarded the email chain to 'C' with a covering email.
23. The covering email stated, amongst other things:

*"FYI – I sent them this after editing [client's] original message....*

*I would think you can beat the quote below quite easily to grab the work. Maybe 'I' [principal of 'A' LLP] will ask me to reduce it but will obviously let you know.*

*...*

*If 'A' LLP decide they don't want this client either then they have just gifted it to us..."*

24. The covering email proves that the defendant sent this email chain to Ms 'C' with the intention that Ms 'C' would use its contents to 'A' LLP's disadvantage. The email chain contained confidential information and the defendant's actions were in breach of confidence and a breach of Section 140 of the Code of Ethics.

#### **Complaint particular (d)**

25. Between 28 October 2012 and 22 July 2013, the defendant corresponded with Ms 'D' by email. During this entire period, Ms 'D' (whose position at 'A' LLP had been made redundant) was first on gardening leave and then was practising on her own. The communications with Ms 'D', which are contained in about 21 email exchanges over the period, clearly demonstrate that the defendant was passing to Miss 'D' information about 'A' LLP's clients for Ms 'D's benefit and to the detriment of 'A' LLP. The information included, for example, information confidential to 'A' LLP about fee charging, invoices, a client's private telephone number and 30Gb of data about clients on a memory stick which Ms 'D' downloaded onto her computer.
26. This activity was done without the knowledge and permission of 'A' LLP and was a breach of its confidence as well as a breach of the Code of Ethics.

#### **Complaint Particular (e)**

27. On 8 November 2012 and 10 May 2013, the defendant sent to Messrs 'F' and 'E', consultants to 'A' LLP, lists of 'A' LLP's clients. It is alleged by the IC that this was confidential information belonging to 'A' LLP, it was done in breach of confidence and in breach of the Code of Ethics.

#### **Complaint Particular (f)**

28. On 21 May 2013, the defendant sent to 'G' Excel spreadsheets containing client information. This was at the time that 'G' had given notice terminating her employment and before her employment ceased. It is alleged by the IC that this was done in breach of confidence and was a breach of the Code of Ethics.

#### **Complaint Particular (g)**

29. On 26 June 2013, the defendant sent an email to a client which set out a quote for fees. Significantly, it used 'A' LLP's own fees as a comparator. It is alleged by the IC that this information was confidential to 'A' LLP and its dissemination was a breach of the Code of Ethics.

#### **IC's Submissions**

30. The complaint is not made on the basis that the defendant breached her contract of employment by doing what she is alleged to have done. Neither is the complaint made on the basis that the defendant enticed, encouraged or took 'A' LLP's clients away. However, the obvious breach of contract and the obvious motive and intention behind the defendant's actions (deliberately to act against the interests of her employer, amongst other things) are relevant considerations to bear in mind when considering the complaint.
31. The complaint is brought on the basis that the defendant acted unethically by breaching her professional duties of confidentiality which are set out in Section 140 of the Code of Ethics. The breaches of the Code are such as to constitute a breach of DBL 4.1 (a). Even a single breach, under any one of the particulars, would constitute a breach of that DBL.

32. The defendant breached the Code because she carried out the acts particularised above when in each case she knew that the information she was disseminating was confidential or she was reckless as to whether it was confidential or not.

### **The Defence to the Complaint**

33. The defendant denied the complaint as a whole but admitted parts of the particulars. She admitted some parts in (b) and (d).
34. The defendant is a single mother of three children who were either pre-teen or teenagers at the relevant time. She worked, with the permission of her employers, from home for more than 40% of the time for this reason. At the time of the hearing, she was 50 years of age; at the relevant time, she was in her mid to late 40s.
35. There is no evidence before the tribunal that 'A' LLP "acquired" or "merged" with 'H'. ('H' continued to exist as a corporate body after the alleged acquisition.) There is, however, evidence that 'A' LLP acquired 245 clients of 'H' in consideration of payment of a multiplier of the gross billings from those clients; and there is evidence that Messrs 'E' and 'F' were retained as consultants (they appear on 'A' LLP's letterhead as such). The defendant's transfer to HT pursuant to TUPE should be understood in that context.
36. As for paragraph 5 of her affirmation dated 11 November 2013, the defendant gave evidence that what she said about emailing documents to herself (quoted above) is not correct. The affirmation was prepared by her solicitor late on a Sunday evening and she affirmed it on the following day without reading it properly while under considerable stress.

### **Defence to Complaint particular (a)**

37. It is admitted that the defendant sent the data cited under this section to her personal email address and it is accepted that the data was confidential in nature. But it is denied that this was done without authority: (i) the emails were sent to her personal address for 'A' LLP business; (ii) Messrs 'I' and 'J', the principals of 'A' LLP, knew that staff sent work-related emails to personal addresses for staff to work from home; (iii) the defendant was never told that she could not transfer backup data in this way and there is no such prohibition in 'A' LLP's guidelines or office manuals. Contrary to the IC's case, the defendant was not given a laptop by 'A' LLP but she did have her own. Mr 'I' knew this as he had seen her use her laptop for work and his son had helped her configure it for remote working.
38. There is nothing sinister in the defendant's actions. The data could almost as easily have been obtained direct from the clients instead. The data complained of was sent to the personal email address before the defendant handed in her notice and the IC's theory of an ulterior motive is refuted for that reason. The backups were sent to herself in order for the defendant to have a complete back-up on her own computer and because it was essential in case data was lost in the office (which had actually occurred on occasion); this was a practice the defendant had had for many years and before 'A' LLP came on the scene. She just carried on her usual practice. The culture of 'H' was a paper office; 'A' LLP, in contrast, strove to be a paperless office, an adjustment to which the defendant found difficult, partly because accessing data was more difficult than it had been at 'H'. Obtaining data in this way alleviated this situation to a degree.

### **Defence to Complaint particular (b)**

39. It is admitted that the defendant sent the data cited under this section to her personal email address and it is accepted that the data was confidential in nature. But it is denied that this was done without authority: (i) the emails were sent to her personal address for 'A' LLP business; (ii) Messrs 'I' and 'J', the principals of 'A' LLP, knew that staff sent work-related emails to personal addresses for staff to work from home.
40. The position about 'B' Ltd is more complex than the IC represent and the IC has misunderstood that position. 'B' Ltd was a client of 'A' LLP until about 2005. It then moved its business to 'H'. Shortly before 'H' and 'A' LLP completed their business in 2012, which would have meant 'A' LLP "buying" 'B' Ltd from 'H', 'B' Ltd was told about this and it reacted adversely. It did not wish to be represented by 'A' LLP once again (having declined to use it since 2005). So, 'B' Ltd was never going to be a client of 'A' LLP and was not at any material time.
41. If 'A' LLP held 'B' Ltd data it should not have done, or it did so on behalf of 'H'. That data did not belong to 'A' LLP and it was not a breach of confidence for the defendant to handle it in the way she did.
42. 'C' had been engaged to complete 'B' Ltd's bookkeeping but she had health issues and some data had been lost. This meant that she could not complete the 2012 Management Accounts and other bookkeeping which had to be done before 'B' Ltd found other accountants. So, it was agreed between 'B' Ltd and Mr 'F' that the defendant would complete the work (in her own time and using her own bookkeeping business) that 'C' could not. She would be paid for this work by 'H', not by 'A' LLP. This was agreed when Mr 'F' was 'A' LLP's consultant but it related to a matter which never came within 'A' LLP's purview and did not concern 'A' LLP at all.
43. After the defendant left 'A' LLP, 'B' Ltd became one of her clients. There was nothing improper in this.

### **Defence to Complaint Particular (c)**

44. The information provided to 'C' was not confidential because Ms 'C' was retained by 'A' LLP. Furthermore, the principals of 'A' LLP were included in the email string initially.
45. The client in question was thinking of leaving 'A' LLP, which is why it had asked for fee quotes. This was a client whose future at the firm was at risk.
46. The defendant's motive was to assist 'A' LLP by allowing 'C' to quote for the work because (a) there was little likelihood that the client in question was intending to keep 'A' LLP for bookkeeping services whereas (b) if she were to succeed in obtaining that work then (c) the connection between the client and 'A' LLP would be preserved. For these reasons the defendant's actions were an attempt to ensure that the client remained with 'A' LLP.

### **Complaint Particular (d)**

47. This is mostly admitted. The remaining seven instances of breaches are denied.

### **Defence to Complaint Particular (e)**

48. The information complained of was not confidential to 'A' LLP because Messrs 'E' and 'F' were entitled to it.

49. The principals of 'H' had told the defendant that the commercial agreement between 'H' and 'A' LLP was that 'A' LLP would pay as a fee to 'H', the gross recurring fee of the clients that had been acquired by 'A' LLP multiplied by 1.2. That agreement would extend to any new clients of 'A' LLP who were connected to those acquired clients. Messrs 'E' and 'F' asked the defendant to provide, and she agreed to provide, information about such new, connected clients. She provided that information. She did not provide information, for instance, about new 'A' LLP clients who were unconnected. This was information to which the defendant believed Messrs 'E' and 'F' were entitled as consultants, she acted on instructions and it was not a breach of confidence to provide it for that reason.

**Defence to Complaint Particular (f)**

50. The "information" provided by the defendant to 'G' comprised two templates which did not belong to 'A' LLP and who therefore owned no confidence in them. In any event, the templates contained no client information and were not provided from 'A' LLP's records but 'H's backed up data.

**Defence to Complaint Particular (g)**

51. The defendant was approached in a private capacity by a former client of 'A' LLP. He asked her to quote for some work and she did. She used 'A' LLP's figures as a comparator to her own. However, the client already was in possession of those figures and so there was no breach of confidence.

**Issues of fact and law**

52. The relevant standard of proof is the balance of probabilities.
53. Was 'H' "acquired" by 'A' LLP or was (some of) its caseload purchased by 'A' LLP?
54. Did the defendant, in each case:

Particular (a)

send financial records held by 'A' LLP to personal email account?

Particular (b)

send documents held by 'A' LLP about 'B' Ltd to her personal email account?

Particular (c)

provide details of an email concerning an internal fee quotation to 'C'?

Particular (d)

provide information and financial records held by 'A' LLP to 'D'?

Particular (e)

provide information and financial records held by 'A' LLP to Messrs 'E' and/or 'F'?

Particular (f)

provide information belonging to 'A' LLP to 'G'?

Particular (g)

give a quotation to a client using fees quoted by 'A' LLP as a comparison?

**And** in each case: (i) was this information (a) confidential and (b) a breach of the Code of Ethics and (ii) if so, is it a breach of DBL 4.1(a)?

## Findings

55. The tribunal found:

Particular a – not proved

Particular b – not proved

Particular c – proved

Particular d – proved in part by admission

Particular e – not proved

Particular f - not proved

Particular g – not proved

Accordingly, the tribunal found the complaint proved in part.

## Conclusions and reasons for decision

56. At the hearing, the IC decided not to lead with any oral evidence preferring instead to rely on documents alone and the cross-examination of the defendant. The defendant gave oral evidence and answered questions from the IC's representative and the tribunal (including some questions put by the Legal Assessor on the tribunal's behalf).
57. The reason why Particular (a) was not proved, in spite of the defendant's various admissions of fact under it, was that the IC failed to rebut the defendant's oral evidence that sending the specified confidential documents to her private email address was an established practice to which she was accustomed and no-one had told her that she could not do it. So while the documents were confidential, the defendant knew they were, and they remained confidential after they had been sent, nevertheless the transmission of those documents (which is the operative part of this particular complaint) was not a breach of any confidentiality obligation. The absence of anything prohibitive of this in any office manual of 'A' LLP or the contract of employment is relevant and persuasive. The particular complaint is not that the defendant abused the confidential documents once they were in her private email account, simply that she sent them from one account to another knowing they were confidential or reckless as to whether they were. That is not a breach of DBL 4.1 (a).
58. The reason why Particular (b) was not proved, in spite of the defendant's various admissions of fact under it, was that the IC failed to rebut the defendant's oral evidence that 'B' Ltd was not 'A' LLP's client and was never likely to be. The IC failed to prove that 'B' Ltd's data belonged to 'A' LLP, and therefore that there was any breach of confidentiality when the defendant sent them from her work to her personal email account. That is not a

breach of DBL 4.1 (a). The fact that 'B' LLP became a client of the defendant later on is not relevant.

59. The reason why Particular (c) was proved was because the tribunal accepted the IC's submissions on the documentary evidence (that evidence was not in issue), the most significant piece of which was the defendant's email to 'C' dated 20 December 2012 timed at 23.15 hours and which is referred to above and partly quoted. The tribunal interprets that email to be a clear attempt by the defendant to provide 'C' with information provided by a client of 'A' LLP (which she had no right to provide) and advise 'C' that she would be able successfully to compete with 'A' LLP to win that client's work (advice she had no right and no authorisation to give). The tribunal rejects the defendant's explanation that she was, in fact, trying to help 'A' LLP by encouraging 'C' to take on the bookkeeping work because in so doing 'A' LLP would keep the non-bookkeeping work. This appears to be far-fetched and contrived as a post event justification for what actually happened. It is also uncorroborated by any other document or person. It is also implausible because if that were her intention, the language which the defendant used with 'C' would reasonably have been expected to have been different (for example, being more measured and showing less of a hostile attitude towards 'A' LLP), and one would have expected to have seen some sort of dialogue between the principals of 'A' LLP and the defendant about implementing such a stratagem whereas there was none. The motive is also implausible because by the defendant's own admission her relationship with 'A' LLP was poor and there is no reason to infer such loyalty on her part into the defendant's words.
60. The tribunal was concerned by the defendant's evidence given at the hearing that paragraph 5 of her affirmation dated 11 November 2013 was not correct because it was written by her solicitor and signed by her in a rush without reading it. If this were true, it would mean that the affirmation was made recklessly (that is, with the defendant being reckless as to whether the evidence in it was true or not) and that would be a serious matter indeed. The tribunal is more inclined to accept the affirmation as true, particularly when the reasoned and detailed explanation for the defendant's decision to email client data to herself which is set out (with the benefit of legal advice) in the remainder of paragraph 5 and the totality of paragraph 6 are taken into account. The tribunal rejects the defendant's explanation given at the hearing that the affirmation is wrong.
61. The tribunal accepts the defendant's admissions about Particular (d). In particular, she admitted to sending to 'D' a memory stick containing confidential information when she had no right to do so.
62. The reason why Particular (e) was not proved was because the IC failed to prove that Mr 'E', to whom the defendant disclosed information, had no authority to seek the information from her (which related to former 'H' clients and those connected to them) and that the defendant had no authority to disclose it.
63. The reason why Particular (f) was not proved was because the IC failed to prove that the templates belonged to 'A' LLP. That being so, there was insufficient evidence to prove a breach of 'A' LLP's confidentiality.
64. The reason why particular (g) was not proved was because the IC failed to prove that the information complained about was confidential information belonging to 'A' LLP but not (also) belonging to 'D'.
65. The outcome of these findings is that the defendant has either admitted to providing, or has been found to have provided, confidential information to two individuals when she had no right to do so. It appears that her motives arose out of the transfer of her employment to 'A' LLP, where she was evidently not happy. This is not acceptable conduct from a member of

ICAEW, no matter how unhappy or resentful at work that person may feel. An employer is entitled to trust its employee who is a member of ICAEW to comply with the Code of Ethics and to respect the confidential information to which the employee is allowed access. This respect involves not providing it to others without permission.

### **Matters relevant to sentencing**

66. The tribunal considered the *Guidance on Sanction* and saw no reason to depart from that. The tribunal was satisfied that no lesser penalty than the one imposed was appropriate.
67. The *Guidance on Sanction* suggests that exclusion may be an appropriate sanction for a breach of ethics of this type. The tribunal is satisfied that exclusion would be a disproportionately harsh sanction in all the circumstances, taking into account the defendant's clean disciplinary record, her remorse and the likelihood that her conduct will not be repeated. However, her misconduct was clearly serious and a severe reprimand is appropriate.
68. The tribunal does not consider a fine to be proportionate taking into account the defendant's personal and financial circumstances and the fact that she has already paid in full substantial and agreed damages and costs to 'A' LLP.
69. The IC made a submission for costs in the sum of £22,510.50, after making allowance for the duplication of some costs caused by the ill health of its first investigator. The tribunal was satisfied that the defendant should make a fair and reasonable contribution to those costs because the complaint has been proved in part and this was not contested in principle. However, the tribunal considers that the contribution should only be a percentage of that figure. This is primarily because the IC only succeeded on a relatively small part of the complaint and it seems unfair to ask the defendant to pay for that unsuccessful prosecution. It also takes account of the defendant's personal and financial circumstances.
70. The tribunal noted with some concern the length of time that this matter has taken to bring to a conclusion. The tribunal heard that that had a generally adverse impact on the defendant, including on her mental health, and this should be taken into account. This delay was partly caused because the first case handler of ICAEW became unwell and the matter was passed to another; no-one is to blame for this, but the inevitable delay and duplication of costs this caused should not be visited on the defendant. Also, the tribunal noted with some concern that the defendant had to explain her position in writing, often in considerable detail, to the case officers in excess of 10 separate occasions over a number of years. This appears to have been unnecessary. Furthermore, and more significant still, the defendant offered candidly to meet the case officer in June 2016 "*to clarify any questions you might have, or to explain any particular issues that are not clear.*" That offer was, remarkably, not taken up. Since some of what the defendant was saying in her many submissions was evidently not getting through to the case handler, and since most of the particulars of complaint failed to be proved, it is difficult for the tribunal now to understand

why such an offer, which seems sensible and a proportionate way possibly to reduce time and cost, was ignored.

### **Sentencing Order**

Severe reprimand

Costs in the sum of £4,000

### **Decision on publicity**

Publication with name.

### **Chairman**

Mr Richard Farrant

### **Accountant Member**

Mr Martin Ward FCA

### **Non Accountant Member**

Mrs Jane Rees

### **Legal Assessor**

Mr Dominic Spenser Underhill

**018967**

**2 A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 29 March 2017 against a Member.**

**Terms of complaint**

Between December 2010 and January 2012, the member ('the defendant') made or authorised transfers of £198,093.78 from the client money bank account to the office bank account of his employer 'AB' Limited in breach of rule 20 of the Solicitors Accounts Rules 2011 and/or rule 22 of the Solicitors Accounts Rule 1998.

It is therefore alleged that the member is liable to disciplinary action under Disciplinary Bye-law 4.1.b on the grounds that ' . . . he has performed his professional work or the duties of his employment, or conducted his practice, inefficiently or incompetently to such an extent, or on such a number of occasions, as to bring discredit on himself, the Institute or the profession of accountancy'.

<b>Hearing date</b>	29 March 2017
<b>Previous hearing date(s)</b>	None
<b>Pre-hearing review or final hearing</b>	Final Hearing
<b>Complaint found proved</b>	Yes
<b>Sentencing order</b>	No order
<b>Procedural matters and findings</b>	
<b>Parties present</b>	The defendant The Investigation Committee (IC)
<b>Represented</b>	Mr Anton Lodge QC (Counsel for the defendant) Mr James Francis (for the IC)
<b>Hearing in public or private</b>	The hearing was in private. On 28 February 2017 the Chairman granted an application made by the defendant, which was not opposed by the IC, for the hearing to be held in private on medical grounds.
<b>Documents considered by the tribunal</b>	The tribunal considered the documents contained in the IC's bundle, the defendant's Regulation 13 Answers and the documents submitted by the defendant.

## The Investigation Committee's case

1. The defendant was admitted to membership of ICAEW in June 1994.
2. Between July 2008 and April 2012 the defendant was employed by a firm of solicitors, 'AB' Ltd ('the firm'), as its financial administrator. The defendant was not a director of the firm. The defendant was the only accountant employed by the firm.
3. The firm got into financial difficulties. Administrators were appointed in 2012 and subsequently the Solicitors Regulation Authority ('SRA') intervened into the firm. An SRA investigation was carried out in relation to the failure of the firm and the conduct of its partners and the defendant.
4. The IC's case is that prior to the firm going into administration the defendant made or authorised transfers totalling £198,093.78 from the firm's client account to its office account in breach of the Solicitors Accounts Rules. It is said that these improper transfers were made in order to pay staff wages and keep the firm trading generally.
5. The transfers in question divide into three groups.

(a) A single transfer of £75,000 in December 2010.

The IC's case is that this transfer was made from funds held in a designated client deposit account. The funds were part of a trust, the 'N' Will Trust. Mr 'A', senior partner of the firm, was trustee of the 'N' Will Trust.

In response to the Interim SRA report the defendant's solicitor said 'In December 2010 the defendant told Mr 'A' that the practice had insufficient funds to pay staff wages. Mr 'A' asked the defendant what might be done and the defendant asked Mr 'A' if he, as trustee of the 'N' Will Trust was able to lend money to the practice from the trust. Mr 'A' transferred £75,000.00 from the 'N' Will Trust to the practice's clients account and asked the defendant to transfer the corresponding amount to the office account and to make an entry that it was a loan to Mr 'A'. The defendant did that.'

(b) Six individual transfers between April 2011 and January 2012 totalling £37,194.35.

Each of these was a transfer to the firm's office account of monies held in the client account for clients of the firm. The dates and amounts of the six transfers are:

7 June 2011	£3,372.75
10 January 2012	£600.00
10 January 2012	£912.94
10 January 2012	£4,103.41
30 April 2011	£20,690.65
10 January 2012	£7,541.60

The defendant gave the following account to SRA investigators:

‘The defendant also stated that he was aware of a number of further improper transfers. He stated that he had identified a number of client balances and that he had instructed his assistant [BLANK] to undertake the transfers. The defendant stated that he had personal knowledge of each of the matters which were the subject of the improper transfers and was in no doubt that the firm had no entitlement to the money. The defendant stated that he had issued an instruction to [BLANK] to undertake the improper transfers in order to aid the firm’s cash flow. When questioned further the defendant’s answers became inconsistent as he also asserted that [BLANK] had undertaken the transfers “off his own back.” It is also mentioned that [BLANK] insisted that the defendant issued a blanket instruction to undertake the transfers. When asked if he knew about the transfers the defendant stated “of course, I told him to do them”.’

(c) A transfer of £85,899.43 on 31 May 2011.

This related to funds received from ‘B’ Building Society on 20 April 2011 which were transferred into the firm’s client account in error.

In response to the Interim SRA report the defendant through his solicitor said:

‘at the time of the transfer from client to office account the defendant was unaware of the origin of £85,899.43. It had been held in a “suspense account” with the clients account ledger but the defendant had been unable to identify it. When he made the transfer from client to office, the defendant had thought that it was more likely than not fee income due to the practice. Only subsequently, after being told of the content of [BLANK] letter in early 2012, was he made aware that it had been received into client account by error from ‘B’ Building Society’

6. The Solicitors Accounts Rules 1998 (‘SAR 1998’) were in force until 6 October 2011 when they replaced by the Solicitors Account Rules 2011 (‘SAR 2011’). Rule 22 of the SAR 1998 and rule 20.1 of the SAR 2011 governed withdrawals from a client account during the relevant period. The provisions of both rules are substantially the same in that they prohibit withdrawal of money from a client account save in specified circumstances, such as where the money withdrawn is properly required to make a payment to or on behalf of a client or is withdrawn on the instructions of the client. The complaint alleges that the transfers in question were made in breach of these rules.
7. Following the SRA investigation a report was prepared to an SRA Adjudicator. In his submissions to the Adjudicator the defendant’s solicitor stated ‘It is admitted by the defendant that he did make a series of improper transfers from the client account to the office account; and that he had been convinced and, at that time, believed it was to pay wages and generally keep the firm trading.’
8. The IC’s case was that, in making or authorising the transfers in question, the defendant was acting incompetently or inefficiently; further that this was so bad or repeated as to bring discredit on himself, the Institute or the profession. The firm went into administration and client money was lost.

## The defence

9. The defendant denied the complaint.
10. In his Regulation 13 Answers the defendant admitted that he was involved in making wrongful transfers between December 2010 and January 2012. He denied that had brought discredit on himself, the Institute or the profession and therefore denied that he had breached Disciplinary Bye-law (DBL) 4.1.b.
11. The defendant stated that he was suffering from a mental illness at the relevant times and that he had been manipulated so that he was under the undue influence of his employer, Mr 'A'. He relied on the medical reports of Dr 'C', a Consultant Psychiatrist. He contended that if the public was aware that the behaviour on which the complaint is based was a consequence of a medical condition, and so lacked any reprehensible or morally culpable quality, it would be unlikely to diminish trust and confidence in the profession.
12. In his witness statement dated 17 March 2017 the defendant stated as follows in respect of the transfers forming the subject matter of the complaint.

(a) On 29 December 2010 he was involved with Mr 'A' in transferring £75,000 from the firm's general client account to its office account. He understood this to be a loan from the 'N' Will Trust to the firm made by its trustee, Mr 'A'. The money was used to meet the firm's payroll and keep it going. At the time he was sure it was a legitimate loan and would be repaid to the trust in due course.

(b) Between April 2011 and January 2012 he was involved with Mr 'A' in transferring funds totalling about £37,194.35 from the firm's general client account to its office account. He now acknowledges those funds were wrongly transferred as to they had not been billed to the clients. The amounts had been calculated by reference to unbilled work in progress on accounts where there existed a client account balance. At the time Mr 'A' convinced him that, although there might be a timing issue about the transfers, they were legitimate and that the outcome would be preservation of jobs of all the staff at the firm. Further, he was convinced by Mr 'A' that if he did not make the transfers the failure of the firm and the loss of its staff's jobs would be his fault.

(c) When £85,899.43 was received in the client account on 20 April 2011 it was not immediately apparent to him or any of the accounts department staff what it related to, so it was noted in a suspense account. He investigated the funds but it was not clear where they had come from. However he recalled that the firm was expecting a payment from HMRC and became convinced that the funds were likely to have come from HMRC. He was also told by Mr 'A' that holding any unidentified balance on a client account was one of the worst breaches of the SAR that could be committed. So he transferred it to the office account and applied it against the outstanding balance expected from HMRC. In June 2011 'B' Building Society enquired about a payment erroneously returned to the firm and it was clear to him that the money must be repaid to 'B' Building Society. However there was insufficient money in the office account to do so.

13. In his written submissions, Mr Lodge, on behalf of the defendant, accepted that the defendant was involved in the transfers in question and that they were in breach of the SAR 1998/2011. The defendant denied that, by reason of his health condition at the time and because of influence exerted over him by Mr 'A', his actions brought discredit on himself, ICAEW or the profession.
14. The opinion of Dr 'C', who submitted written and gave oral evidence, was that the defendant suffers from paranoid schizophrenia. He had been under psychiatric care since 2008. During the material period, namely 2010 to 2012, he did not have ordinary levels of awareness or judgment. His responsibility for his actions was very substantially diminished. However the defendant now shows good levels of insight which enables to co-operate fully with his treatment plan. In Dr 'C's view, although there remains a risk of a further acute episode, the defendant is in a much better position to cope with future stresses and does not place his employers or the profession at future risk of harm.
15. In support of the submission that Mr 'A' exerted undue influence over the defendant, Mr Lodge placed reliance on the fact that he had, at Mr A's behest, agreed to loan the firm money and provide personal guarantees for loans taken out by the firm in circumstances in which he could expect no benefit, only detriment.

### **Issues of fact and law**

16. The burden of proving the complaint lay on the IC. The standard of proof was the civil standard, namely proof on the balance of probabilities.
17. It was not disputed that the defendant had made or authorised the transfers in question and that this was done in the course of his professional work and his employment with the firm. Nor was it disputed that the transfers were made in breach of the SAR 1998/2011. The sole issue for the tribunal was whether the IC had proved that in doing so the defendant acted inefficiently or incompetently to such an extent or on such a number of occasions as to bring discredit on himself, the Institute or the profession of accountancy.
18. The IC's primary position was that the tribunal was not entitled to take into account the defendant's mental health in determining objectively whether his actions brought discredit on himself, the Institute or the profession. Alternatively, the IC submitted that, on the totality of the evidence, the defendant's behaviour was discreditable.
19. Mr Lodge submitted that the tribunal was entitled to take into account the evidence about the defendant's mental health and the influence exerted over him by his boss. Further he submitted that, in light of those factors, the tribunal should not find that the defendant's actions were discreditable. He referred the tribunal to the following authorities: *Sharp v The Law Society of Scotland* [1984] SC 129; *McCandless v GMC* [1996] 1 WLR 167; *Rehman v Bar Standards Board* (unreported, 19 July 2013); *R (Campbell) v GMC* [2005] 1 WLR 3488; *Howd v Bar Standards Board* [2017] EWHC 210 (Admin).

### **Conclusions and reasons for decision**

20. The tribunal gave the word 'discredit' its ordinary meaning and applied an objective test as to whether the conduct in question was discreditable. The tribunal was in no doubt that taking money from a client account, which therefore belonged to clients, and using it to prop up a company would be regarded as discreditable both by the public and the profession.
21. Having taken advice from the legal assessor the tribunal accepted Mr Lodge's submission that the defendant's mental health was relevant to the question of his culpability for his actions. In the Committee's view it was impossible to divorce the state of the defendant's health from the other pressures that were on him at the time. It was necessary to consider

all the surrounding circumstances in order to determine whether, viewed objectively, the defendant's actions were discreditable.

22. The evidence of Dr 'C', which was not challenged and which the tribunal accepted, was that the defendant's mental illness meant that his responsibility for his actions was substantially diminished. However, it was not completely eliminated. He was clearly continuing to function to at least some degree as financial controller of a sizeable business. Dr 'C' stated in his evidence that the defendant would have been aware that what he was doing was wrong. Indeed the tribunal noted that the defendant himself in contemporaneous documents referred to there being a 'black hole' in the accounts, which clearly demonstrated such awareness.
23. Accordingly the tribunal found that when the defendant made or authorised the transactions in question he was aware that he was acting in breach of the rules. Therefore, notwithstanding the extraordinary problems he had at the time, he must bear responsibility for his actions. Whilst the tribunal accepts that not every breach of a rule brings discredit on an accountant, these were serious breaches. The tribunal found, on the balance of probabilities, that the defendant's conduct in relation to these transfers had brought discredit to himself, to the Institute and to the profession of accountancy.
24. The tribunal therefore found the complaint proved.

### **Matters relevant to sentencing**

25. The defendant made or authorised improper transfers of client money on a number of occasions over a substantial period of time. A significant sum of money was involved. The tribunal considered that misuse of client funds in such a manner, absent special circumstances, would normally attract the most severe of penalties.
26. However there were unusual and very significant mitigating factors in this case. The defendant was clearly very unwell at the time and his capacity to make proper decisions was seriously impaired. The fact that the defendant was suffering from a very significant mental illness during the period in question was of itself sufficient to persuade the tribunal to adopt a lenient approach to sentencing. Further the tribunal was reassured by Dr 'C's evidence that the defendant's mental illness was effectively now in remission and that he posed no significant ongoing risk to the public.
27. The tribunal accepted that the defendant himself made no financial gain from the transfers and was acting at the time under the undue influence of his employer. The tribunal also took into account the fact that the defendant had no previous disciplinary record.
28. The tribunal considered the *Guidance on Sanctions* but did not consider, in light of the facts of this case, that it was of any particular assistance in determining the appropriate course to take. The tribunal noted that DBL 22.2 makes it clear that it has the power not to impose any penalty if it considers that making such an order would be inappropriate. In the very unusual and, in the Committee's view, exceptional circumstances of this case, it determined that the appropriate course was to make no order.
29. There was no application for costs.

### **Sentencing Order**

No order.

### **Decision on publicity**

The tribunal was invited by Mr Lodge to give a direction under DBL 35.3 that the publication of the findings of the tribunal should not refer to the defendant by name. This application was supported by a medical opinion indicating that such publicity would increase the chance of a relapse of the defendant's psychotic symptoms. The application was not opposed by the IC.

The tribunal had regard to the section in the *Guidance on Sanctions* dealing with applications under DBL 35.3. It noted that where publication would have an adverse impact on the defendant's health that can amount to an exceptional circumstance justifying such an order. In all the circumstances the tribunal considered it was appropriate to direct that any publication of its findings should not refer to the defendant by name.

**Non Accountant Chairman**  
**Accountant Member**  
**Non Accountant Member**

Mr Richard Farrant  
Mr Martin Ward FCA  
Mr Graham Humby

**Legal Assessor**

Mr Andrew Granville Stafford

**017282**

## INVESTIGATION COMMITTEE CONSENT ORDERS

### 3 Mr Lekh Raj Mall FCA

Consent order made on 19 April 2017

With the agreement of Mr Lekh Raj Mall of 86 Tettenhall Road, Wolverhampton, WV1 4TF, the Investigation Committee made an order that he be reprimanded, fined £2,650 and pay costs of £3,405 with respect to a complaint that:

Mr L R Mall FCA failed to obtain Mr and Mrs 'B's consent to retain a payment of commission received from X Ltd and totalling £10,000 in breach of Section 240.7b of the Code of Ethics.

**030010**

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### 4 CBA (Accountants) Limited

Consent order made on 21 April 2017

With the agreement of CBA (Accountants) Limited of 72 Lairgate, Beverley, HU17 8EU, the Investigation Committee made an order that the firm be severely reprimanded, fined £9,200 and pay costs of £1,453 with respect to a complaint that:

1. CBA (Accountants) Ltd, following a QAD visit on 17 May 2013 confirmed the following in respect of the firm's Anti-Money Laundering Procedures:
  - a. "Appropriate risk based procedures will be implemented immediately for new clients and existing clients will be dealt with as we prepare the accounts over the next 12 months"; and
  - b. A "Training programme is in place and will be updated on an annual basis", but at an external compliance review conducted on 4 February 2015 it was found that the assurances had not been complied with.
2. Between 5 February 2015 and 8 June 2015 CBA (Accountants) Ltd failed to comply with paragraph 7 of The Money Laundering Regulations 2007 in that they did not ensure that appropriate and complete customer due diligence measures were applied to all of its clients.

**027735**

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## 5 Mr Mannan Zaidi ACA

Consent order made on 26 April 2017

With the agreement of Mr Mannan Husain Zaidi of Amen Corner, 241 Mitcham Road, London, SW17 9JQ, the Investigation Committee made an order that he be severely reprimanded, fined £5,300 and pay costs of £8,080 with respect to a complaint that:

- 1A Mr M H Zaidi ACA failed to deal fairly with the 'X group of companies', in accordance with the requirements of the Code of Ethics section 110, in that he:
- a. Demanded payment for fees in excess of a fixed fee arrangement without advising the client that the fixed fee arrangement had been exceeded;
  - b. Demanded payment from the companies for accounting services provided prior to raising an invoice for any outstanding fees;
  - c. Failed to invoice the companies within a reasonable period of time;
  - d. Failed to take reasonable and prompt steps to resolve the fee dispute between Zaidi & Co and the X group of companies.

Or in the alternative

- 1B On 21 August 2014 Mr M H Zaidi ACA submitted a demand for payment to Mr 'A' without an invoice being prepared which included a demand for payment in respect of work that had been completed between one and four years previously.

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**024534**

## **6 Mr Paul Adrian Houlton FCA**

Consent order made on 2 May 2017

With the agreement of Mr Paul Adrian Houlton of Unit 2.6, Morwick Hall, York Road, Leeds, LS15 4TA, the Investigation Committee made an order that he be severely reprimanded, fined £4,000 and pay costs of £2,668 with respect to a complaint that:

1. Between 29 September 2015 and 8 September 2016 Mr Houlton FCA failed to:
  - a. substantively respond to Mr X's requests to return his bank statements and purchase receipts; and
  - b. failed to advise Mr X that he had failed to locate Mr X's bank statements and purchase receipts.
2. Between 4 January 2016 and 25 July 2016 Mr Houlton FCA failed to comply with section 210 of the Code of Ethics as he failed to respond to a professional enquiry letter and handover request from a new accountant.

**032349**

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## **7 Mr Richard Savage**

Consent order made on 15 May 2017

With the agreement of Mr Richard Hilton Savage of Fairclough House, Church Street, Adlington, Chorley, Lancashire, PR7 4EX, the Investigation Committee made an order that he be reprimanded, fined £5,000 and pay costs of £1,542 with respect to a complaint that:

Mr Savage failed to comply with the fundamental principle of professional competence and due care set out in the Code of Ethics Part D, in that he incorrectly notified the Secretary of State that he had been appointed as supervisor of individual voluntary arrangements for Mrs X and her husband Mr X, when no arrangement had been proposed or approved for Mrs X.

**035087**

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## AUDIT REGISTRATION COMMITTEE

### ORDER – 1 MARCH 2017

#### 8 Publicity Statement

Andrew Wiggett, Gainsborough House, 15 High Street, Harpenden, Hertfordshire, AL5 2RT, has agreed to pay a regulatory penalty of £3,000, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breach of audit regulations 2.08 and 6.06 for failing to respond to ICAEW correspondence in a timely manner and for failing to comply with an undertaking given to submit the results of external hot and cold file reviews within an agreed timescale.

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**029533**

### ORDER – 12 APRIL 2017

#### 9 Publicity Statement

The registration as company auditor of Alexander & Company, 220 The Vale, London, NW11 8SR was withdrawn on 16 May 2017 under audit regulations 7.03g and 7.03h of the Audit Regulations and Guidance for failing to comply with the requirements of the audit regulations. The responsible individual status of Mr B Dzialowski was also withdrawn under audit regulation 4.08e.

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**025755**

## INVESTMENT BUSINESS COMMITTEE

### ORDER – 9 FEBRUARY 2017

#### 10 Publicity Statement

'In view of the firm's admitted breach of DPB Regulation 2.03(b), Underwood Barron LLP of Monks Brook House, 13-17 Hursley Road, Chandler's Ford, Eastleigh, Hampshire, SO53 2FW, has agreed to pay a regulatory charge (determined by the Investment Business Committee) of £388 for failing to apply for DPB affiliate status for a corporate member.'

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**037100**

# INSOLVENCY LICENSING COMMITTEE

## ORDER – 10 APRIL 2017

### 11 Publicity Statement

The Insolvency Licensing Committee ordered Mr Stephen Jonathan Taylor, Isonomy Ltd, Leawood Hall, Holloway, Matlock, Derbyshire DE4 5AQ to pay a regulatory penalty of £2,000 for failure to undertake a compliance review in accordance with the requirements of Regulation 3.13 of the *Insolvency Licensing Regulations and Guidance Notes*.

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**037985**

All enquiries to the Professional Conduct Department, T +44 (0)1908 546 293