

GUIDANCE FACTSHEET

DISCIPLINARY PROCEDURES

The Bye-laws, Chartered Certified Accountants' Complaints and Authorisation Regulations 2014 (AURs), Chartered Certified Accountants' Complaints and Disciplinary Regulations 2014 (CDRs), Chartered Certified Accountants' Health Regulations 2014 (HRs), Chartered Certified Accountants' Appeal Regulations 2014 (ARs) and Chartered Certified Accountants' Interim Orders Regulations 2014 (IORs) set out the rules governing disciplinary procedures. The Bye-laws and Regulations are published in the *ACCA Rulebook* at accaglobal.com/rulebook.

This factsheet has no regulatory status. It is issued for guidance purposes only, and in the event of any conflict between the content of this factsheet and the content of the *ACCA Rulebook*, the latter shall at all times take precedence. Therefore, this factsheet should not be regarded by a member as a substitute for familiarising themselves with the appropriate regulations or, where necessary, obtaining specific advice concerning a specific situation.

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INTRODUCTION

Members and firms, as well as students, affiliates and non-member statutory auditors (non-member SAs), come within the jurisdiction of ACCA's disciplinary procedures. This factsheet relates to members, non-member SAs and firms **only** and references to '**members**' include firms and non-member SAs (collectively referred to in this factsheet as members).

The disciplinary procedures for students and affiliates are the same, but the orders that the Disciplinary and Appeal Committees can make against them are slightly different.

ACCA's INVESTIGATION AND DISCIPLINARY SERVICE

ACCA's disciplinary procedures deal with failure to observe proper standards of professional conduct and breaches of regulations which include conduct likely to bring discredit to ACCA and the accountancy profession and which may give rise to public concern.

ACCA has a comprehensive investigation and disciplinary service in place and its procedures are compliant with the laws of natural justice and the UK Human Rights Act 1998. This service is subject to independent oversight by its Regulatory Board. It is also subject to oversight by external oversight regulators such as the Financial Reporting Council (FRC), the Irish Auditing and Accounting Supervisory Authority (IAASA), The Chartered Trading Standards Institute (CTSI) and the Independent Regulatory Board for Auditors (IRBA).

All complaints against members are dealt with in accordance with ACCA's stated investigation and disciplinary procedures. Details are set out in the *ACCA Rulebook* and explained in the *Guide to ACCA's complaints and disciplinary procedures*. Both documents provide information about the procedures followed by ACCA when investigating complaints it receives about the conduct of members.

Further guidance is available on the ACCA website at:

[Making a complaint about an ACCA member](#)
[Disciplinary and regulatory hearings](#)

LIABILITY TO DISCIPLINARY ACTION

A member is liable to disciplinary action, whether or not they were a member at the time of the breach, if the member commits any of the breaches set out in Bye-law 8(a). Relevant firms are liable to disciplinary action for any such breaches committed by persons working in the firm. The breaches can be summarised as follows:

- being guilty of misconduct in the course of carrying out professional duties or otherwise;
- performing work erroneously, inadequately, inefficiently or incompetently to such an extent, or on such a number of occasions, as to amount to misconduct;
- breaching any ACCA Bye-law or Regulation;
- being disciplined by another professional body;
- becoming insolvent or entering into a voluntary arrangement or similar;
- failing to satisfy a judgment debt without reasonable excuse for two months;
- having a conviction or accepting a caution in relation to any offence discreditable to ACCA or the accountancy profession;
- being found to have acted fraudulently or dishonestly by a court in any civil proceedings.

Misconduct includes (but is not limited to) any act likely to bring discredit upon the member, ACCA or the accountancy profession.

DISCIPLINARY PROCEDURES

A member, or any other person, may make ACCA aware of any facts or matters indicating that a member may have become liable to disciplinary action. They should do so by completing [ACCA's Complaints Form](#). If, following investigation, ACCA considers that liability for disciplinary action is indicated, then a report is prepared for consideration by an independent external assessor.

The assessor has the power to ask for further information. It is the duty of every member, if asked, to provide such further information as is in their power to give and as the assessor considers necessary.

Before reaching their decision, the assessor must be satisfied that the member has been given an opportunity to comment in writing on the allegations against them.

If the assessor concludes that there is a case to answer, the assessor has two alternative courses of action:

- to refer the matter to the Disciplinary Committee; or
- to rest the matter on the member's file. This option is reserved for complaints which the assessor believes render the member liable to disciplinary action, but which are not serious. The matter rests on file for five years, during which time an assessor has the power to refer it to the Disciplinary Committee if any subsequent complaint is made.

THE DISCIPLINARY COMMITTEE

When a complaint is referred to the Disciplinary Committee, ACCA will notify the member concerned of the date on which the Committee proposes to hear the case. The member is entitled to be heard before the Committee, and is permitted to be represented, to call witnesses, and to cross-examine witnesses called against the member. The disciplinary hearing will normally be held by video call and is open to the public.

If the Disciplinary Committee is satisfied that the complaint has been proved wholly or in part, it may make one or more of the following orders:

- i. that the member be excluded from membership;
- ii. that the member be severely reprimanded, reprimanded or admonished;
- iii. having referred the matter to the Admissions and Licensing Committee, that the member's practising certificate, and/or any other certificate issued by ACCA, and/or the member's eligibility to conduct exempt regulated activities (UK), be suspended or made subject to conditions (until an order of the Admissions and Licensing Committee or Appeal Committee has been made);
- iv. that any future application by the member for any of the certificates or authorisations referred to in (iii) above be referred to the Admissions and Licensing Committee;
- v. that the member pay a fine not exceeding £50,000;
- vi. that the member pay compensation to the complainant of a sum not exceeding £1,000;
- vii. that the member waive or reduce their fees to the complainant by such sum as shall be specified in the order and which relates directly to the proven misconduct.

In addition, the member may be ordered to pay costs (see below).

If the Disciplinary Committee decides that none of the above orders is appropriate, it may order that no further action be taken.

THE APPEAL COMMITTEE

If an order is made by the Disciplinary Committee against the member, the member has 21 days from service of the written statement of the reasons for the Committee's decision in which to apply for permission to appeal. The member's application notice must be in writing and must be in the form specified in Appeal Regulation 5(1). The application notice is considered by the Chair of the Appeal Committee and, if the Chair so directs, by the Appeal Committee.

If permission to appeal is granted, the Appeal Committee will consider the appeal at a hearing. It will be for the member to satisfy the Appeal Committee that the grounds of appeal are made out. The Appeal Committee may affirm, vary or rescind any order of the Disciplinary Committee. In addition, the Appeal Committee can substitute any other order which the Disciplinary Committee could have made.

COSTS

The Disciplinary Committee and the Appeal Committee may order the member to pay a sum by way of costs to ACCA. The member cannot apply for permission to appeal solely in respect of costs unless the order was irrational, unreasonable and/or paying the sums ordered, would result in severe financial hardship to the member.

PUBLICATION OF FINDINGS

If the Disciplinary or Appeal Committee decides that no further action is to be taken on a complaint, their decisions are not published by ACCA. The orders of the Disciplinary and Appeal Committees are normally published on ACCA's website, referring to the member by name. Press releases may also be forwarded to the local and national press. ACCA has no control over what may be published in the press.

FURTHER INFORMATION

Further information is available on the ACCA website at www.accaglobal.com. If you wish to make further enquiries about matters that may be subject to disciplinary procedures, you should contact ACCA at ComplaintAssessment@accaglobal.com