

## CONSENT ORDERS HEARING

**CONSENT ORDER CHAIR OF THE ASSOCIATION OF CHARTERED  
CERTIFIED ACCOUNTANTS****REASONS FOR DECISION**

**In the matter of:** Mr Jagninder Singh Sanger

**Heard on:** Thursday, 06 March 2025

**Location:** Remotely via Microsoft Teams

**Chair:** Ms Wendy Yeadon

**Legal Adviser:** Ms Giovanna Palmiero

**Decision:** The Chair made orders in the terms of the Consent Order: Draft Agreement that Mr Jagninder Singh Sanger be severely reprimanded and pay costs to ACCA in the sum of £2,391.00.

This matter has been referred to a Chair of the Disciplinary Committee of ACCA (“the Chair”) pursuant to Regulation 8(8) of The Chartered Certified Accountants’ Complaints and Disciplinary Regulations 2014, as amended (“the Regulations”) for the Chair to determine, on the evidence before him, whether to approve or reject the Consent Order: Draft Agreement that has been agreed by ACCA and Mr Jagninder Singh Sanger (Mr Sanger)

1. The Chair had before her a COC Consent Order and Evidence bundle of papers, numbered pages 1-217, two costs schedules, and an email from Mr Sanger dated the 24 February 2025 accepting the consent order.
2. The Chair considered the proposed consent order in the absence of the parties and without a hearing in accordance with Regulation 8(9) of the Regulations.

3. The Chair was satisfied that Mr Sanger was aware of the terms of the proposed consent order and noted that he, and ACCA, had both signed the proposed consent order on 24 February 2025.

4. The Chair noted the terms of the 'Consent Order: Draft Agreement' as follows:

"The Association of Chartered Certified Accountants (ACCA) and Mr Jagninder Singh Sanger (Mr Sanger), ("the Parties), agree as follows:

Mr Jagninder Singh Sanger (Mr Sanger), an ACCA member in practice:

1) In relation to his accountancy practice, failed to submit tax returns to HMRC by the filing deadline for the seven years listed below in that he submitted the tax returns for all seven years on or about 27 January 2024 and did not pay all amounts due, including penalties and interest, until 12 November 2024.

- Year ending 31 March 2016
- Year ending 31 March 2017
- Year ending 31 March 2018
- Year ending 31 March 2019
- Year ending 31 March 2020
- Year ending 31 March 2021
- Year ending 31 March 2022

2) In relation to his accountancy practice, failed to submit the tax return 2 HMRC by the filing deadline for the year ending 31 March 2023, having submitted the tax return on 23 January 2025.

3) By reason of his conduct referred to above, Mr Sanger is guilty of misconduct pursuant to bye law 8(a)(i).

#### **BRIEF BACKGROUND**

5. Mr Sanger became an ACCA member on 31 October 2005. He has held an ACCA practising certificate with audit qualification since 2010.

6. Companies House records show that his practice, Hammond Walker Ltd, was incorporated on 25 March 2010. Companies House records show Mr Sanger has been the sole director of Hammond Walker Ltd since May 2013.
7. Hammond Walker Ltd is an ACCA registered firm and has been issued by ACCA with a Firm's Auditing Certificate ('FAC').
8. In a letter dated 22 May 2023, HMRC made a disclosure to ACCA's Professional Conduct Department that Mr Sanger had failed to submit Corporation Tax returns for his practice Hammond Walker Ltd. The letter from HMRC set out a chronology of HMRC's correspondence with Hammond Walker Ltd and enclosed copies of that correspondence. In particular the following is noted:
  - Letter of 12 November 2021 from HMRC to Hammond Walker Ltd advising that the firm had *'one or more tax returns overdue, your business includes assisting others to comply with their tax affairs and you hold agent Codes through which you interact with HMRC...'*
  - The letter made reference to the standards of behaviour expected of agents and that *'As a professional tax advisor, part of your role is to help other people get their tax right and meet our deadlines. So we expect you to make sure that both your own and your client's tax affairs are fully up to date...'*
  - The letter went on to request that the outstanding tax returns and any amounts due were paid within 35 days.
9. A follow up email was sent from HMRC to Hammond Walker on 14 December 2021 advising that attempts had been made to call the firm without success and requesting the firm call HMRC urgently.
10. Letter of 20 December 2021 from HMRC to Hammond Walker Ltd headed 'Warning of Determinations' stating no response had been received to HMRC's letter of 11 November and that its records *'show that you've not sent us your Corporation return for the periods ended', being those for the four years 31 March 2017 to 31 March 2020 inclusive.'* The letter requested the tax returns be filed by 31 December 2021 or otherwise HMRC would estimate (being a determination) the tax due based on information held.

11. According to HMRC's letter to ACCA of 22 May 2023, on 01 February 2022, HMRC issued determinations to Hammond Walker for the four tax years ended 31 March 2018 to 31 March 2021 inclusive. In relation to the tax year ended 31 March 2017 HMRC's letter to ACCA of 22 May 2023 stated that no determination was made for this tax year.
12. The determinations for the four tax years ended 31 March 2018 to 31 March 2021 inclusive, record the following tax due: 2018 - £380, 2019 - £570, 2020 - £760 and 2021 - £760.
13. Letter from HMRC to Hammond Walker Ltd of 24 January 2023 stating no tax returns had been filed for the five years ending 31 March 2017 to 31 March 2021 inclusive and had failed to pay *'determined liabilities and penalties of £8,323.40 – due in the absence of filed returns for the accounting periods above'*. The letter went on to advise that the *'Agent codes will be suspended'* if the firm did not contact HMRC within 10 days and by that date the returns were unfiled and the liabilities unpaid.
14. Letter from HMRC to Hammond Walker of 28 February 2023 stating that the firm's Agent Codes had been suspended given he had not filed any returns or paid the liabilities due.
15. Mr Sanger was informed that this matter was under investigation by ACCA in a letter dated 15 January 2024. In this letter, ACCA outlined several questions for Mr Sanger regarding the non-payment of the tax due and requested a response by 05 February. On the same day ACCA sent a letter to HMRC requesting a response to a number of questions by the same deadline.
16. In a letter to ACCA dated 13 February 2024, HMRC responded by advising Mr Sanger had submitted the outstanding tax returns to HMRC on 27 January 2024, and *'none of the tax calculations submitted with the returns show any tax due for any year'*. The letter went on, *'As a result of the submission of the outstanding returns, the amounts now outstanding relate solely to late filing penalties totalling £7,612.81.'*
17. Given Mr Sanger did not respond by the deadline of 05 February, on the following day, ACCA's investigating officer sent an email reminding him of his duty to cooperate by responding to the questions by 20 February.

18. On 21 February Mr Sanger emailed requesting further time to respond as *'I have had someone leave so am trying to recruit and do a hand over'*. The investigating officer responded by giving him until 26 February to respond.
19. On 26 February 2024, Mr Sanger responded to ACCA and provided a number of documents including his firm's self-assessment corporation tax returns (albeit unsigned) for the years ending 2016 to 2022 inclusive. For the years ending 2016 and 2017, the tax due was £15 and £305.40 respectively. For all other years the tax due was recorded as '0'. His email also included two payment confirmations made to HMRC on 26 February 2024 for the amounts of £377.76 and £18.90. It is not apparent why these are slightly different to the sums referred to in the tax returns. In explaining why he had not filed these tax returns, Mr Sanger stated, *'no letters had been received'*, that he *'did not have any communication with HMRC, apart from standard reminders'* and *'Please note this is a part time practice and I work in the family business with my father'*. Mr Sanger also advised he would be challenging the late filing penalties.
20. Given the above, the tax returns which had not been filed on time were those for the years ended March 2016 to March 2022, inclusive, all of which had been filed on 27 January 2024. In that regard, as stated on HMRC's website the deadline for filing a firm's corporation tax return is 12 months after the end of the accounting period with payment due nine months and one day after the end of the accounting period.
21. On 17 September 2024, ACCA emailed Mr Sanger with further questions including pressing him on why he did not file his tax returns, despite admitting he had received standard reminders and requesting evidence of his challenging the late filing penalties.
22. On the same day, ACCA sent an email with further questions to HMRC. HMRC responded on 07 November advising in particular that as at 27 September the amount of penalties outstanding was £8,161.08 and there was no record of Mr Sanger challenging this amount. HMRC also advised that the tax return for Hammond Walker for the year ended 31 March 2023 was also now overdue.
23. Following reminders sent to Mr Sanger, he responded to ACCA's further questions on 12 November 2024. Below includes some of the questions followed by Mr Sanger's response:

*"1) HMRC have confirmed that your tax returns were submitted on 27 January 2024. However, none of the tax calculations submitted with the returns you sent show any tax due for any year. Please explain this?"*

*I can confirm that a small profit was achieved in 2017 and the tax position is up to date on that matter. A loss was achieved in 2018 and the loss was offset against 2019. A large loss was incurred as a result of covid in 2021 (loss was carried back) and 2022. This is reflected in the reduced turnover in both 2021 and 2022. Work was undertaken on a number of clients who ceased to trade and therefore we were not paid on the jobs during the covid period.*

*Subcontractors and staff had to be paid"*

*2) Please can you also explain why you did not submit the companies tax returns on time, each year, from 2017- 2022?*

*I was involved in a number of projects for parents, which led the submissions not being done on a timely basis. Client work has been prioritised.*

*3) You mentioned in your response that you did not receive any letters from HMRC, only standard reminders. Why did you not respond or take action following these reminders?*

*It was always the intention to respond. I have been suffering from mental health problems for a number of years, since my divorce. Which has led to anxiety, stress, high blood pressure and procrastination in my own personal matters. I have recently been taking counselling and will be attending a counselling and wellness retreat.*

*4) As of 13 February 2024, HMRC have confirmed that the outstanding amounts owed now solely relate to late filing penalties, totalling £7612.81 [which, as referred above, ACCA had subsequently been advised had been increased to £8,161.08]. In your email dated 26 February 2024, you mentioned that you would be putting in representations to mitigate these penalties. Please provide me with an update on this and share any further correspondence to and from HMRC regarding this matter?*

*My parents understand my situation and again I have not been able to deal with stress of dealing with my own affairs. I have paid £8,161.08 from personal family monies to offset this liability. I am up to date with HMRC in respect of corporation tax. I have*

*attached confirmation of the same. The attached confirmation is on page 180 being an email from HMRC confirming receipt of the total outstanding amount due of £8,161.08.”*

24. On 11 December 2024, HMRC confirmed to ACCA that this payment had been received by Mr Sanger.
25. Given HMRC’s reference to Mr Sanger not having filed his 2023 tax return, ACCA’s investigating officer spoke to Mr Sanger on 23 January 2025 who stated that although the tax return had been prepared it had yet to be submitted but advised he would do so that day. ACCA’s investigating officer emailed Mr Sanger on the same day confirming this conversation. The email requested that Mr Sanger provide confirmation once he had filed the tax return. Mr Sanger emailed the Investigating officer later the same day to confirm he had filed the tax return and that no tax was payable due to losses being brought forward. He went on to provide confirmation from HMRC of his having filed this tax return.

## **DECISION AND REASONS**

26. Under Regulation 8(8) of the Regulations the Chair must determine, on the evidence before her, whether it is appropriate to approve or reject the draft consent order or to recommend any amendments.
27. The Chair was satisfied that there was a case to answer and that the Investigating Officer had followed the correct procedure.
28. The Chair noted that under Regulation 8(12), she should only reject the signed consent order if she is of the view that the admitted breaches would, more likely than not, result in exclusion from membership.
29. The Chair considered the seriousness of the allegations and the public interest, which includes the protection of the public, the maintenance of public confidence in the profession, and the declaring and upholding of proper standards of conduct and performance. She balanced the public interest against Mr Sanger’s own interests.
30. In considering this matter the Chair accepted the advice of the Legal Adviser and paid due regard to the ACCA documents ‘Guidance for Disciplinary Sanctions’ and ‘Consent Orders – Frequently Asked Questions’.

31. The Chair found the following to be aggravating factors:

- Mr Sanger failed to submit tax returns on time for his accountancy practice for eight successive years, being 2016 to 2023 inclusive.
- As a result of his failure to keep his own practice's tax affairs in good order, HMRC suspended his Agent Codes. He was also issued with a financial penalty which he failed to pay promptly.
- Tax was payable only for the years ending March 2016 and March 2017 and as such these amounts were payable by the end of 2016 and 2017. However they were not in fact paid until February 2024.
- Despite admitting that he received standard reminders from HMRC and irrespective of his awareness that he would have known his tax returns were overdue, Mr Sanger failed to regularise his position. It was only following HMRC raising a complaint with ACCA and ACCA then notifying Mr Sanger, that he took action to regularise his position in relation to the tax returns for the years ending 2016 to 2022. Notwithstanding the above, his practice's 2023 tax return was by this time also late in being filed, and again it was only due to being prompted by ACCA that he went on to file that tax return.
- Although Mr Sanger has co-operated with ACCA's investigation, there were occasions when he failed to respond by the deadline, requiring ACCA having to send reminder emails.

32. The Chair found the following to be mitigating factors:

- Mr Sanger has advised that he has been dealing with mental and physical health challenges for several years following his divorce and is actively working to address these issues.
- Mr Sanger has no other disciplinary finding against him



33. The Chair was satisfied that the allegations admitted by Mr Sanger would be unlikely to result in his exclusion from membership of ACCA and that, under Regulation 8(12), there was no basis for her to reject the Consent Order.
34. The Chair paid due regard to ACCA's Guidance for Disciplinary Sanctions (updated 14 February 2024).
35. The Chair noted that this sanction would usually be applied in situations where the conduct is of a serious nature but there are particular circumstances of the case or mitigation advanced which satisfy the Committee that there is no continuing risk to the public, and there is evidence of the individual's understanding and appreciation of the conduct found proved. She found the following factors in relation to the sanction of a severe reprimand were relevant in this case:
- The misconduct was not deliberate, and Mr Sanger has shown some insight into his reckless failings.
  - There is no evidence of direct or indirect harm to his clients.
  - Mr Sanger has now settled his financial liabilities with HMRC.
36. The Chair, having considered all the documentary evidence before her, was satisfied that the sanction of a severe reprimand was the appropriate and proportionate sanction in this case. The Chair noted that Mr Sanger had also agreed to pay ACCA costs in the sum of £2,391.00. The Chair, accordingly, pursuant to her powers under Regulation 8 of the Regulations, made an Order in the terms of the draft Consent Order.

#### **ORDER**

- i. Mr Sanger shall be severely reprimanded.
  - ii. Mr Sanger shall pay costs to ACCA in the sum of £2, 391.00.
37. By virtue of Regulation 8(17) there is no right of appeal against this Order. The Order will, therefore, come into effect immediately.

**Wendy Yeadon**

**Chair**  
**06 March 2025**