



Professional Conduct Committee – 14 July 2020

Entering into an Enforceable Undertaking with ASIC, failure to observe a proper standard of professional care, skill or competence in relation to the provision of financial services/ advice, failure to comply with the professional obligation of objectivity and professional behaviour - Member A

At a meeting of the Professional Conduct Committee (PCC) of Chartered Accountants Australia and New Zealand held in private on 14 July 2020 by videoconference in respect of Member A, the PCC decided that:

1. as a result of her entry into an Enforceable Undertaking (EU) with the Australian Securities and Investments Commission (ASIC), by which the Member was banned from providing financial services for a 3 year period, the Member is in breach of By-Law 40(2.1)(f);
2. by the terms of the EU, ASIC expressed the view that the Member failed, in relation to a number of clients, to act in their best interests, provide appropriate advice, prioritise their interests above that of her own and provide statements of advice within the relevant timeframe. The Member acknowledged and admitted the conduct and the contraventions. In addition, the Member made admissions during the Case Conference that she had failed to act in the best interests of clients at all times. This amounts to a failure to observe a proper standard of professional care, skill and competence in the course of carrying out her professional duties as well as a failure to observe the fundamental principle of objectivity as required by APES 110, *Code of Ethics for Professional Accountants*, in breach of By-Laws 40(2.1)(a) and (h); and
3. the adverse finding brings discredit on at least the Member and the profession of accountancy, in breach of By-Law 40(2.1)(k).

As a result, the PCC considers that this matter is sufficiently serious to warrant referral to the Disciplinary Tribunal.

However, the PCC decided to propose that a consent agreement be made with the Member. Accordingly, with the written consent of the Member, the PCC made the following determinations:

1. the Member receive a reprimand;
2. the Member pay to CA ANZ the sum of \$1,575 towards the cost of investigating and dealing with the matters the subject of the complaint and the Case Conference; and
3. the PCC will publish, without disclosing the Member's name and location:
 - a. details of these sanctions on the website of Chartered Accountants ANZ; and
 - b. a notice in the digital and print magazine "Acuity", with a link to the published decision.

The PCC considers that:

1. it is in the public interest to publish its imposition of such a sanction given the public interest in members of CA ANZ understanding the significance of the entry into an EU with ASIC and the importance of performing professional obligations with a high level of competence; but that
2. there are no special circumstances for publishing the Member's name or location.

Professional Conduct Committee Chartered Accountants Australia and New Zealand

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