

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|------------|--|---|---|--|
| 99/6/C/25 | | <ul style="list-style-type: none"> • Severe Reprimand • Fined €1,270 • Costs €1,270 • Publication without name in Accountancy Ireland | <ul style="list-style-type: none"> • Member misapplied monies entrusted to him by his client. | <ul style="list-style-type: none"> • Disciplinary Committee • This case governed by rules in place pre December 1999. • Hearing held in Private |
| 02/08/58/1 | <ul style="list-style-type: none"> • Bad work/inadequate or unsatisfactory service or professional conduct. | <ul style="list-style-type: none"> • Severe Reprimand • Fined €10,000 • Costs €1,000 • Publication with name in Accountancy Ireland. | <ul style="list-style-type: none"> • Member applied a signature, which purported to be a signature of a director of a company, to abridged financial statements subsequently sent to the Registrar of Companies in respect of that company. • Applied a signature, which purported to be a signature of a director of a company, to the annual returns subsequently sent to the Registrar of Companies. | <ul style="list-style-type: none"> • Consent Order (Complaints Committee) |
| 02/08/58/2 | <ul style="list-style-type: none"> • Bad work/inadequate or unsatisfactory service or professional conduct. | <ul style="list-style-type: none"> • Reprimand • Publication with name in Accountancy Ireland. | <ul style="list-style-type: none"> • Member firm signed special reports of the auditors of a company, when the responsible individual knew or ought reasonably to have known that the signature purported to be that of a director of the company, was not the signature of that director and that the directors of the company had not therefore made the statements required of them. | <ul style="list-style-type: none"> • Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|----------|-------------------|--|---|--|
| 02/06/44 | | <p>PART I of Complaint:</p> <ul style="list-style-type: none"> • Severe Reprimand • Fine €5,500 • Costs €1,500 • Publication with name in Accountancy Ireland <p>PART II of Complaint:</p> <ul style="list-style-type: none"> • Severe Reprimand • Fine €1,500 • Costs €1,500 • Publication with name in Accountancy Ireland | <p>PART I of Complaint</p> <ul style="list-style-type: none"> • Member failed to ensure that a fellow director and a substantial shareholder in a company of which he was also a director, had disclosed to the vendor of a property that the company proposed to purchase, that that director, was also a director and a substantial shareholder in a company appointed by the vendor to act as selling agent, and continued to participate as a director of the company in the purchase of the property by that company when he was aware or ought reasonably to have been aware that the selling agent, had not, or appeared not to have, disclosed all material circumstances in relation to the transaction to the vendor. <p>PART II of Complaint:</p> <ul style="list-style-type: none"> • Member acted as auditor for a company, signed audit reports in respect of that company for two years, when he had a mutual business interest with, a director and shareholder of that company in that he was a director of another company, in which the aforementioned director and shareholder, was also a substantial shareholder. | <ul style="list-style-type: none"> • Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-------------|---|--|--|--|
| 02/02/19 | | <ul style="list-style-type: none"> • Severe Reprimand • Fined €6,000 • Costs 1,000 • Publication without name in Accountancy Ireland. | <ul style="list-style-type: none"> • Member without the knowledge or consent of his partner applied in the names of a partnership to two financial institutions for business loans, the proceeds of which he lodged into his personal account, thereby invoking a liability on his partner's behalf, and in respect of the proceeds of which his partner had received no benefit, and thereby misleading the financial institutions. • Applied a signature in the name of his partner to one of the loan applications referred to above, without his partner's knowledge or consent, thereby misleading the financial institution in that his partner was a applicant for the loan, was aware of the application and willing to assume responsibility for the repayment thereof. | <ul style="list-style-type: none"> • Disciplinary Tribunal • Held in Private |
| 01/09/C/100 | <ul style="list-style-type: none"> • Acting Without Proper Authority | <ul style="list-style-type: none"> • Reprimand • Fined €3,000 • Costs €1,500 • Publication in Accountancy Ireland without name of firm | <ul style="list-style-type: none"> • Member firm conducted Investment Business activities when not authorised to do so. • Failed to pay clients' money into a designated client bank account | <ul style="list-style-type: none"> • Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-----------|--|---|---|--|
| 02/06/046 | <ul style="list-style-type: none"> • Breach of Company Law (other than acting without Authority) • Bad work/inadequate or unsatisfactory service or professional conduct • Conduct of Liquidation | <ul style="list-style-type: none"> • Severe Reprimand • Exclusion from membership • Publication with name in Accountancy Ireland and the National Press. | <p>That a member of the Institute carrying on practice, did,</p> <ol style="list-style-type: none"> 1. misappropriate, or misapply, clients' monies for his own personal use without the knowledge and consent of the clients concerned, 2. deliberately falsify the books of account of clients in order to conceal that he misapplied or misappropriated for his personal use, monies received from clients to discharge their tax and other liabilities, 3. fail to deal adequately with the tax affairs of clients in that monies received to discharge tax liabilities were not paid to the revenue on a timely basis giving rise to interest and penalties for late payment. 4. fail to comply with the Institute's Client Monies Regulations, 5. fail to maintain adequate records of receipts and payments in respect the liquidation of a Company, 6. fail to ensure that funds received in relation to the liquidation of a Company were not intermingled with other funds, 7. fail to inform clients of the basis on which fees would be charged and fully account to clients for fees actually charged, 8. fail to send notices of resignation as auditor to client companies to the registrar of companies, 9. fail to provide information and make clients' files available for review by the Institute. | <ul style="list-style-type: none"> • Disciplinary Hearing held in public. |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-----------|---|---|--|---|
| 05/05/032 | <ul style="list-style-type: none"> • Delay/Failure to Respond (External) • Bad work/inadequate or unsatisfactory service or professional conduct) | <ul style="list-style-type: none"> • Severe Reprimand • Fine €6,000 • Costs €1,000 • Publication with name in Accountancy Ireland | <p>That, a member firm of the Institute practicing in County Dublin did</p> <ul style="list-style-type: none"> • fail to deal with a client’s affairs expeditiously and competently resulting in unnecessary interest and late payment penalties on an offshore deposit account held by the client since 1991, contrary to Fundamental Principle 4 of the Ethical Guide; • fail to communicate the status of the negotiations with the Revenue Commissioners, the appointment of an independent advisor and the possibility that there would be a shortfall of funds in the offshore account to pay the tax liabilities with one of the beneficiaries of an estate; • knowingly submit incorrect information to the Revenue Commissioners by neglecting to include interest on the offshore bank account (which he was made aware of in 1997) in the client’s tax returns; • gave improper professional advice by advising the client to put the overseas account into the joint names of both the client and himself; • withdrew fees originating from the offshore account without the | Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-----------|---|---|---|--------------------------------------|
| | | | <p>agreement of the beneficiaries of the estate after her death , contrary to statement 10 of the Ethical Guide for Members and paragraph 2.25 of the Client Money Regulations and Guidance;</p> <ul style="list-style-type: none"> • fail to ensure that the settlement had been effected with the Revenue Commissioners after the liability had been agreed. Specifically it took twelve months from the date of agreements of the liability to settle it resulting in further late payment penalties. | |
| 05/08/066 | <ul style="list-style-type: none"> • Other | <ul style="list-style-type: none"> • Reprimand • Fine: €1,250 • Costs: €300 • Publication without name in Accountancy Ireland | <p>That a member firm of the Institute practising in Co Kildare did:</p> <ol style="list-style-type: none"> 1. breach Statement 9 of The Ethical Guide for Members – “Association with Non-Member” by virtue of the fact that the firm had allowed a non-member to practice under the name of his firm in Belfast. The member firm had no control over the work carried out in the Belfast office; and 2. breach the Client Money Regulations (CMR 2.4, 2.16, 2.24, 3.3 & 3.7) whereby the non-member firm handled client’s money without any control procedures. | Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-----------|--|--|---|-----------------------|
| 06/01/011 | <ul style="list-style-type: none"> • Bad work/inadequate or unsatisfactory service or professional conduct and Failure to respond (to ICAI) | <ul style="list-style-type: none"> • Severe Reprimand • Fine: €10,000 • Costs: €10,000 • Publication with name in Accountancy Ireland and the National Press | <p>That, a member of the Institute, did;</p> <ol style="list-style-type: none"> 1. Act in breach of his duty to co-operate with the Chartered Accountants Regulatory Board (CARB) disciplinary process, in accordance with Institute Bye Law 62.1 in that he failed to clarify how he had accounted for a balance of €20,544.00 due to the estate of a named party and/or provide a full and clear explanation as to how the said sum of money was dealt with. 2. Act in breach of his duty to co-operate with the CARB's disciplinary process, in accordance with Institute Bye Law 62.1 in that he failed to reply fully to correspondence seeking clarification that all bogus non-resident account funds relating to a particular client had been properly disclosed to the Revenue. 3. Act in breach of his duty to co-operate with the CARB's disciplinary process, in accordance with Institute Bye Law 62.1 in that he failed to provide a copy of his letter dated 30th January 2007 which, he | Disciplinary Tribunal |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|-----------|---|---|---|--------------------------------------|
| | | | <p>represented, in a letter dated 23rd February 2007 that he had sent to the Institute but which letter has not been received.</p> <p>4. Act in a professional role when he was in receipt of a loan from a client contrary to the Institute's Ethical Guide for members (2000); paras 6.6 & 6.7.</p> <p>5. Facilitate the making of accounting entries in the records of a named party which would have the effect of misleading anyone who sought to establish the true provenance of certain funds, contrary to Fundamental Principle 1: - Integrity;</p> | |
| 06/07/099 | <ul style="list-style-type: none"> • | <ul style="list-style-type: none"> • Severe Reprimand • Fine: €5,000 • Costs: €2,000 • Publication with name in Accountancy Ireland | <p>That a member of the Institute, did:</p> <ol style="list-style-type: none"> 1. Act in breach of Fundamental Principle 1: Integrity, in that he signed another person's name on Company Registration Office documents being two Annual Return Forms (B1) and two sets of financial statements for clients; | Consent Order (Complaints Committee) |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|---------------------------------|---|--|---|----------------------|
| | | | <p>2. Act in breach of Fundamental Principle 4: Performance: by failing to notice that on an Annual Return Form (B1) for a client which the member signed:</p> <p>a) he was incorrectly referred to as a director of the company; and</p> <p>b) the form bore the name of his firm as presenter when the form was neither prepared nor presented by the member;</p> <p>and is accordingly liable to disciplinary action under Chapter IX of the Institute's Bye Laws</p> | |
| 08/12/066,09/04/026 & 09/04/028 | <ul style="list-style-type: none"> • Breach of Code of Ethics • Failure to respond to ICAI • Judgement Debts | <ul style="list-style-type: none"> • Excluded from membership • Server Reprimand • Fine: €30,000 • Costs: €5,103.44 • Publication to include name | <p>That a member of Chartered Accountants Ireland with an address at Co. Antrim, did:</p> <ol style="list-style-type: none"> 1. act in breach of his duty to co-operate as set out in Bye-Law 62.1 by failing to respond to correspondence from the Head of Quality Assurance, and 2. accept a loan from a director of a company which was also an audit client and thereby was in breach of APB Ethical Standards for Auditors (December 2004)ESI Integrity, Objectivity and Independence; and 3. render himself liable to disciplinary action pursuant to Bye-Law 63.1(e) by having a judgement in the sum of stgf3 5,000 plus interest and costs outstanding against him in | Disciplinary Hearing |

12. CLIENTS MONEY/FRAUD/DISHONESTY

| Ref. | Other Allegations | Penalty | Relevant Facts | Determined by: |
|--------------------------|---|---|---|-----------------------|
| | | | <p style="text-align: center;">favour of a third party</p> <p>4. act in breach of the Chartered Accountants Ireland's Code of Ethics for Members Fundamental Principle(a); Integrity and Section 270 Custody of Client Assets in that he failed to account to the Client for monies held on their behalf</p> <p>and was accordingly liable to disciplinary action in accordance with Chapter IX of the Institute's Bye-Laws.</p> | |
| 08/10/061 & 09/08/056 | Bad Work/inadequate or unsatisfactory service or professional conduct | <ul style="list-style-type: none"> • Reprimand • Suspension until such time as all amounts owing have been settled and all fines and costs have been discharged • Fine: STG £500 • Costs: €15,051 • Publication in Accountancy Ireland with name | <p>That a member of the Institute practicing in Co. Antrim did:</p> <ol style="list-style-type: none"> 1. act in breach of his duty to cooperate with the disciplinary process as set out in Bye-Law 62.1 by failing to respond to correspondence from CARB; 2. act in breach of the Institute's Code of Ethics for Members: Fundamental Principles:(a): Integrity in that he has failed to honour cheques issued by his firm which were cashed by a third party; | Disciplinary Tribunal |