



Type of Order: INVESTIGATION COMMITTEE ORDER

Date of Order: 22 August 2016

Committee name: INVESTIGATION COMMITTEE

Details of IP: William John Kelly of Birmingham

Summary of complaint: Between On 16 February 2015 Mr Kelly, in his capacity as joint administrator, sent to creditors his first notification of the pre-packaged sale he completed which did not comply with Statement of Insolvency Practice 16 in that it failed to disclose:

1. Sufficient detail on the valuation and the sale consideration, with no comparison of the same.
2. Any background information or reasons for the administration.
3. Any reference to the statutory purpose of the administration and no statement confirming that the statutory purpose has been achieved by the pre-packaged sale.
4. Any information on the rationale for the pre-packaged sale and the reasons why it was in the best interests of the creditors.

Summary of sanctions: With the agreement of Mr William John Kelly of Birmingham, the Investigation Committee made an order that he be reprimanded, fined £1,000 and pay costs.

The Committee decided that Mr Kelly has performed his professional work inefficiently or incompetently to such an extent as to bring discredit to himself, the Institute or the profession of accountancy.

In reaching its decision, the committee had regard to the Common Sanctions Guidance which indicates, for a matter of this nature, a starting point of a severe reprimand and a fine of £5,000.

The committee took into account the following mitigating circumstances:

- This was an isolated incident
- The breach was of a technical nature (and therefore less serious) and there had been no loss to creditors

In light of the mitigation, the committee decided to reduce the sanction to a reprimand and fine of £1,000.