



Type of Order:	DISCIPLINARY CONSENT ORDER
Date of Order:	03 July 2018
Committee name:	INVESTIGATION COMMITTEE
Details of IP:	<b>Mr Steven Wiseglass</b> , of <b>Manchester</b> , an ACCA member and Licensed Insolvency Practitioner.
Summary of complaint:	<p>This Order is made in relation to a complaint that Mr Wiseglass breached Statement of Insolvency Practice 16 by failing to provide sufficient details of;</p> <ol style="list-style-type: none"><li><i>1. Requests made, at the pre-appointment stage, to potential funders to fund working capital requirements. If no such requests were made, why;</i></li><li><i>2. The valuations obtained for the business or its underlying assets. Where goodwill has been valued, an explanation and basis for the value give. The rationale for the basis of the valuations obtained and an explanation of the value achieved of the assets compared to those valuations.</i></li><li><i>3. Whether, in relation to the transaction, any directors had given guarantees for amounts due from the company to a prior financier and whether that financier is financing the new business</i></li><li><i>4. To confirm whether the connected party considering a pre-packaged purchase was asked to provide a copy of their viability statement and whether this was provided or not.</i></li></ol>
Summary of sanctions:	<p>Accordingly, Mr Wiseglass was found liable to disciplinary action under the IPA's Articles of Association.</p> <p>The Committee agreed that the matter was less serious with reference to the Common Sanctions Guidance. The Common Sanctions Guidance provides for a reprimand and a fine of £1,500 when there is a less serious failure to comply with the principles of a SIP, the Insolvency Act and rules and regulation thereunder.</p> <p>The Committee considered that although it thought the matter was in the 'less serious' category, the fine should be slightly higher than that recommended. It did not consider that the matter was entirely 'inadvertent' as the SIP is very prescriptive and the requirements listed in such a way that they should be easy to comply with. Given that SIP16 is such a hot topic, it is not</p>

unreasonable to expect an insolvency professional to be fully aware of, and compliant with what is required.

In mitigation, the Committee noted that Mr Wiseglass is a sole practitioner and rarely carries out administration cases, therefore the chance of recurrence is low.

The Investigation Committee decided to impose a disciplinary order that Mr Wiseglass receive a Reprimand, a fine of £2,000 and costs.