



Disciplinary Orders and Regulatory Decisions

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Disciplinary orders

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DISCIPLINARY COMMITTEE TRIBUNAL ORDERS

1 Mr Brian Edward Keates FCA of
53 Short Lane, Barton under Needwood, Burton on Trent, DE13 8LB

A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 8 August 2017

Type of Member Member

Terms of complaint

Mr Brian Keates FCA failed to provide by the 23 December 2016 the information, explanations and documents requested in a letter dated 6 December 2016, issued under Disciplinary Bye-law 13.

Mr Brian Edward Keates is therefore liable to disciplinary action under Disciplinary Bye-law 4.1.c

A member, provisional member, foundation qualification holder or foundation qualification student (all hereinafter referred to as 'respondent') shall be liable to disciplinary action under these bye-laws in any of the following cases, whether or not he was a member, provisional member, foundation qualification holder or foundation qualification student at the time of the occurrence giving rise to that liability:

c if he has committed a breach of the bye-laws or of any regulations or has failed to comply with any order, direction or requirement made, given or imposed under them.'

Hearing date

08 August 2017

Previous hearing date(s)

n/a

Pre-hearing review or final hearing Final Hearing

Complaint found proved Yes

All heads of complaint proven Yes

Sentencing order

- a) Severe reprimand
- b) Fine of £5000
- c) Costs of £3500
- d) An order to provide the outstanding information due from the DBL 13 letter within 28 days of receipt of this Order.

Procedural matters and findings

Parties present

Mr Brian Edward Keates
Investigation Committee (IC)

Represented

Laura Jennings of ICAEW represented the IC

Hearing in public or private

The hearing was in public

Decision on service

In accordance with regulations 3-5 of the Disciplinary Regulations, the tribunal was satisfied as to service.

Documents considered by the tribunal

The tribunal considered the documents contained in the Investigation Committee's (IC's) bundle together with documents from the defendant.

Issues of fact and law

1. In and around June 2015 ICAEW Professional Standards became aware the defendant may have been providing accountancy services without Professional Indemnity Insurance (PII).
2. The defendant was asked to provide information, explanation and documentation. The defendant did provide some information, allowing the investigation to progress, however it became necessary to formally require the defendant to comply with further requests pursuant to DBL 13.
3. The defendant continued to provide partial answers to those requests. The information was insufficient to establish whether and when the defendant was providing accountancy services (and therefore potentially in breach of the PII Regulations). Accordingly, information going to those facts was requested pursuant to Disciplinary Bye-law (DBL)13 by letter of the 6th December 2016.
4. The defendant replied to that letter on 9 December 2016 saying he had already provided the information requested. The matter was reported to the Investigation Committee. It referred a formal complaint on 7th March 2017.

Background to the complaint

5. The defendant is the sole director of 'A', an ICAEW member firm. This member firm provided financial planning and taxation (accountancy) services. The financial planning side of this business historically represented 60% of income of the firm. It was authorised by the Financial Conduct Authority (FCA) to carry on investment business.
6. On 17th December 2014 the defendant restructured 'A' and incorporated 'B' Ltd. He argued that an ICAEW compliant PII policy was not appropriate for 'A'. He intended 'A' to continue to provide FCA regulated investment business work with suitable PII and 'B' Ltd to provide accountancy services.
7. 'B' Ltd required ICAEW compliant PII. The defendant approached market insurers including 'C' who would not provide adequate cover. 'C' said they would offer PII but would not include cover for the tax planning conducted by 'B' Ltd. ICAEW's Professional Indemnity Insurance Committee (PIIC) are required to give consent to such a policy where it does not meet the minimum terms set out by ICAEW. Without that consent and unable to obtain cover in the market, the defendant had to approach the Assigned Risks Pool (ARP). The defendant was offered cover by the ARP but did not obtain it.
8. While seeking PII cover for 'B' Ltd, PCD investigations reveal the defendant held PII for 'A' until 31 March 2015. When FCA Regulation of 'A' ceased on 8 May 2015 the defendant became an Appointed Representative on 13 July 2015 for another firm of financial advisors, 'D'. There became a point that 'A' would require either full PII (if continuing to trade) or appropriate run off cover (compliant cover). Any failure to hold complaint cover would lead to the defendant potentially liable to disciplinary proceedings.
9. 'D' withdrew the defendant's approval as Appointed Representative on the 13 August 2015. 'D' confirmed the defendant was covered for FCA work only under their PII policy.

Investigation and DBL 13 request

10. On the 6 November 2015 PCD wrote to the defendant with requests for information. This information was chased on a number of occasions.
11. DBL 13 notices were raised against the defendant on 6 January 2016 and 4 April 2016. Partial responses were received. They were not pursued to formal complaint because the information provided was considered sufficient to progress the underlying complaint/s at that stage of the investigation.
12. Subsequently, on 28 September 2016 PCD wrote to the defendant for further information and clarification of previous responses. PCD chased for a response on 13 October 2016. The defendant responded on 20 October by jotting notes on the case manager's letter and returning that document as a response.
13. On 7 November 2016 PCD told the defendant not all requested information had been provided. The defendant was asked to answer the outstanding requests by 21 November 2016. No response was received.
14. On 28th November 2016 the defendant responded. He said he was unable to reply before the New Year because of client commitments.

15. On 6th December 2016 the Head of Investigation issued a DBL 13 notice requiring the defendant to provide the outstanding information. This was stated to be:
- “A An example invoice from each month of trading after March 2015 for ‘A’.
 - B Confirm the date that ‘A’ ceased to trade and provide a copy of the final invoice ‘A’ issued.
 - C Confirm the turnover for ‘A’ in the final year of trading.
 - D Please confirm the month that the annual trading period ends for ‘A’ “
16. The defendant responded on 9 December 2016 within the period for response. In summary, he answered that:
- he had already responded and would provide other information in March 2017; and
 - he had not issued the last invoice for year ending 31st March 2016 yet.
17. On 3rd January 2017 PCD responded saying the matter would be reported to the Investigation Committee for failure to comply with DBL 13. Neither of the two previous DBL 13 letters was proceeded with as sufficient information was provided by the defendant. The Investigation Committee asserted that the letter of 6 December 2016 did not elicit a sufficient response.

Conclusions and reasons for decision

18. The Tribunal found the complaint partially proven.
19. On 6th December 2016 a letter requesting a response pursuant to DBL13 was sent to the defendant. The defendant received that correspondence as indicated by his reply on 9 December 2016. The defendant failed to provide all of the information, explanation and documentation sought in that correspondence within the timescales provided.
20. The information requested is necessary to establish when the defendant was providing accountancy services through ‘A’. It is important information required to investigate disciplinary misconduct.
21. Whilst he had provided a set of abbreviated accounts and an attached profit and loss account, this did not show the date when the company had ceased to trade. No invoices had been provided moreover. The defendant’s response to this was that he was still invoicing for work.

22. Mr Keates explained that he had sold the financial services company late in 2015 and the tax and accountancy services in February 2016. There had been protracted negotiations and he had had to make all staff bar his tax manager redundant during the course of 2015. His tax manager left in January 2016. He continued to have meetings with clients he was handing over to and was continuing to invoice for introductory commissions. He was still collecting debts. As such, there would be a further set of accounts and as far as he was concerned he had not ceased trading until May of this year and could not answer the question at subparagraph B of the DBL 13 letter until he had written up his accounts. In addition, it had only become clear a few weeks ago when the Financial Ombudsman Service issued a ruling, what fee invoicing was appropriate for a particular client. He pointed out that he needed to discuss provision to be made on work in progress and debtors. Also, he did not know how introductory fees were to be accountable and what policy to adopt – this made a big difference, he said, to the turn over.
23. The Tribunal took the above into account but formed the view that the defendant had not provided the following information required in the DBL 13 letter:
- A – The defendant had not provided any sample invoices. The Tribunal formed the view that the fact that they were in long term storage (as argued by the defendant) was not a good excuse and nor was it credible that he did not have to comply with this request on the basis there were invoices outstanding. It defied common sense to state that he could not have provided any sample invoices at all because he could not provide a complete set.
- B – The defendant’s response on this had been wholly unclear. He could have provided the relevant date for ceasing trading, even if he could not provide the last invoice. This still needed to be clarified.
24. The Tribunal formed the view that, by the date of the hearing, the defendant had provided the following information required further to the DBL 13 letter:
- C – this information had been provided in May 2017. This was still in breach of the DBL 13 letter as outside the period for compliance, but its provision did go to mitigation. His earlier response of “unknown” against this question, on 9 December 2016 (on the basis that his accounts had not been produced for that financial year) had been the least information and explanation he could possibly have given and was a good example of his obstructiveness and lack of cooperation with the Institute. The Tribunal took the view that Mr Keates’ interpretation of the DBL 13 letter in this regard was inappropriate given that he would clearly have had interim books, internal records and an awareness of what his turnover for the particular year would be.
- D – this had been answered.
25. The defendant is in breach of Disciplinary Bye-law 4(1)(c) insofar as part of the information required under the DBL 13 letter had not been provided within the period for compliance.

Matters relevant to sentencing

26. The Tribunal took into account its *Guidance on Sanctions*.
27. The defendant did have a previous disciplinary record. On 19 December 2012, the Disciplinary Committee found him in breach of Disciplinary Bye LAW 4(1)(c) for failing to have professional indemnity insurance as required by regulation 3.1 of the Professional Indemnity Insurance Regulations. It ordered that he be given a severe reprimand and a fine of £2000. It was a seriously aggravating factor that the previous complaint had also related to professional indemnity insurance. This meant that the defendant fully understood how seriously such allegations were viewed by his professional body and the importance placed upon this for the purposes of the maintenance of the public's confidence and indeed the protection of the public.
28. In addition to this aggravating feature (in relation to which all the mitigation that was then pleaded no longer applied), the Tribunal was of the view that the defendant had little to no insight into the importance of the ICAEW investigating potential breaches of standards. He had failed to cooperate throughout and his attitude had been obstructive. The Tribunal was of the view, therefore, that Mr Keates had narrowly avoided exclusion.

Sentencing Order

29. The Tribunal decided to impose the following orders:
- a) Severe reprimand
 - b) Fine of £5000
 - c) Costs of £3500
 - d) An order to provide the outstanding information due from the DBL 13 letter within 28 days of receipt of this Order.

Decision on publicity

30. Publicity with names.

Chairman	Ms Mary Kelly
Accountant Member	Mr Jon Newell FCA
Non Accountant Member	Ms Martha Maher

Legal Assessor	Ms Melanie Carter
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037464

2 Mr Gerald Sidney Hyam [FCA] of
17 Grosvenor Square, London, W1K 6LB.

A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 4 October 2017

Type of Member Member

Terms of Complaint

Between 18 January 2012 and 15 February 2012 Mr Gerald Hyam FCA submitted a false Value Added Tax (VAT) return claiming repayment of £85,669 to HMRC for 'A' Ltd.

Mr Gerald Sidney Hyam is therefore liable to disciplinary action under Disciplinary Bye-law 4.1(a).

Hearing dates 4 October 2017

Previous hearing dates N/A

Pre-hearing review or final hearing Final hearing

Complaint found proved Yes

Sentencing order Exclusion
Costs of £3,500

Procedural matters and findings

Parties and representation The Investigation Committee was represented by
Ms Jessica Sutherland Mack

The defendant was not present and was not represented

Hearing in public or private The hearing was in public

Documents considered by the tribunal The tribunal considered the documents contained in the Investigation Committee's bundle and the witness statement of Mrs Sarah George dated 8 August 2017

Proceeding in absence

1. Notice of this hearing was sent to the defendant by email on 8 August 2017 and by post to his registered business address on 14 August 2017. The Tribunal was satisfied that the requirements of regulations 3, 5 and 20 of the Disciplinary Committee Regulations ('DCR') as to service have been observed. The Tribunal therefore considered whether to exercise its discretion to proceed in the defendant's absence.
2. The Tribunal was informed that there had been no engagement from the defendant since February 2017. It was clear however that the defendant was aware this complaint was being investigated and was being referred to the Investigation Committee ('IC').
3. The Tribunal was satisfied that the defendant had waived his right to attend the hearing. Further, in light of the defendant's non-engagement with the investigation and his previous request to resign his membership of the Institute, adjourning the hearing would serve no useful purpose.
4. The Tribunal therefore exercised its discretion to hear the complaint in the defendant's absence.

The Investigation Committee's case

5. The defendant was admitted to membership of ICAEW in October 1966. He is a retired member and has not held a practising certificate for a number of years.
6. On 14 December 2015, after a trial on indictment at Southwark Crown Court, the defendant was convicted of one count of furnishing a false document contrary to section 72(3)(a) of the Value Added Tax Act 1994. The conviction related to the submission of a false claim for a VAT repayment of £85,669. The defendant submitted the claim on behalf of 'A' Ltd, a company of which he was a director and company secretary, between 18 January 2012 and 15 February 2012.
7. The defendant was sentenced for the offence on 14 January 2016. In his sentencing remarks the judge described the defendant's attempt to get this VAT repayment as a futile exercise and one that stood little prospect of success. The Revenue was bound to pick up on it as for many months or years before that the company had filed nil returns. The judge also formed the view that the offence was committed out of financial desperation.
8. The defendant was sentenced to 15 months' imprisonment, suspended for 12 months. The defendant was ordered to do 150 hours unpaid work and disqualified from being a company director for two years.

The defendant's case

9. The defendant had not provided Regulation 13 answers.

10. The defendant told ICAEW in a phone call in August 2016 that he was intending to appeal against the conviction. He had not provided any further details in respect of any such appeal. He also informed the ICAEW that he had carried out his 150 hours of unpaid work. He had also said he wished to resign his membership of ICAEW.

Conclusion and reason for decision

Finding on the complaint

11. Pursuant to Disciplinary Bye-law 7.1, the fact that a member has been found guilty by a court of an indictable offence is conclusive evidence of a breach of bye-law 4.1(a).
12. Although it appears that the defendant does not agree with the jury's verdict, he does not appear to dispute that he was convicted of the offence in question at a trial on indictment. Therefore the Tribunal was satisfied that the complaint was proved and that the defendant was liable to disciplinary action under bye-law 4.1(a).

Matters relevant to sentencing

13. There were no previous disciplinary matters recorded against the defendant.
14. The Tribunal took into account the defendant's lengthy membership of ICAEW and his previous good character. However he had been convicted of a very serious criminal offence, resulting in the imposition of a sentence of imprisonment, albeit one that was suspended. He had made no admissions or apology for his actions and had not co-operated with the IC investigation to any meaningful extent.
15. The Tribunal had regard to ICAEW's *Guidance on Sanctions*. The suggested starting point for offences of dishonesty and for offences which result in a sentence of imprisonment is exclusion. The Tribunal was satisfied that there was no reason to depart from this starting point and that the appropriate sanction was exclusion.
16. The Tribunal was satisfied that in light of the serious nature of the offence it was appropriate to exercise its power under Disciplinary Bye-law 22.10 to recommend that no application for re-admission be entertained for a minimum period of five years.
17. The Investigation Committee applied for costs in the sum of £3,717.50. The Tribunal considered that there was no reason in principle why the defendant should not pay the costs but, having considered the schedule of costs provided by the IC, it was appropriate to make a small reduction to reflect the amount of work required to bring this matter to a hearing.

Sentencing order

18. The Tribunal made the following order:

Mr Gerald Sidney Hyam shall be excluded from membership of the ICAEW;

Mr Gerald Sidney Hyam shall pay costs to the ICAEW of £3,500.
19. The Tribunal further recommended that no application for re-admission be entertained before the end of the period of five years from the date of exclusion.

Decision on publicity.

20. The Tribunal directed that a record of this decision shall be published and the defendant shall be named in that record.

Chairman

Mr Richard Farrant

Accountant Member

Mr Mike Ranson FCA

Non Accountant Member

Mr Graham Humby

Legal Assessor

Mr Andrew Granville Stafford

032094

3 Mrs Marine Qasam ACA of
6 Meades Lane, Chesham, Buckinghamshire, HP5 1ND.

A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 11 October 2017.

Type of Member Member

Terms of complaint

In or around March 2015, Mrs Marine Qasam ACA breached paragraph 110.1 of the Code of Ethics (Integrity) in that she altered a stock audit schedule for the audit of the financial statements of 'A' Ltd for the year ended 31 December 2014 such that it no longer reflected the audit work undertaken.

The defendant is therefore liable to disciplinary action under Disciplinary Bye-law 4.1.a

Hearing date

11 October 2017

Previous hearing date(s)

N/A

Pre-hearing review or final hearing Final Hearing.

Complaint found proved Yes, on admission.

All heads of complaint proven Yes, on admission.

Sentencing order Severe reprimand; fine of £2,000

Procedural matters and findings

Parties present Mrs Marine Qasam was present.

Represented Mrs Qasam was represented by Jonathan Goulding of Counsel. The Investigation Committee (IC) was represented by Mr Ian Walker.

Hearing in public or private The hearing was in public.

Decision on service In accordance with regulations 3-5 of the Disciplinary Regulations, the tribunal was satisfied to service.

Documents considered by the tribunal The tribunal considered the documents contained in the IC's bundle together with evidence of Mrs Qasam's means.

Findings on preliminary matters The wording of the complaint was amended by consent to replace "101.1" with "110.1".

The IC's case

1. Paragraph 110.1 of the Code of Ethics, which concerns the fundamental principal of integrity, provides that a professional accountant must be straightforward and honest in all professional and business relationships. Integrity also implies fair dealing and truthfulness.
2. The defendant was at all material times an Audit Manager employed by the firm 'B' LLP. In 2015, the defendant was advising, as part of an audit team, on the audit of the financial statements of a client called 'A' Limited. This was for the year ended 31 December 2014.
3. The Responsible Individual's (RI) instructions to the audit team were to take a stock count. A sample was to be chosen and all stock locations for that sample would be counted and tested. An attendee and an Audit Senior (who reported to the defendant) were tasked with performing the stock count and reconciling and testing the stock respectively. The completed stock audit was completed by the Audit Senior.
4. A problem arose; the Audit Senior's on site reconciliations revealed that not all the samples taken of the stock (which was in multiple locations) had actually been counted by the attendee on site. The Audit Senior reflected this through her reconciliations and in the G50 schedule form.
5. When the Audit Senior returned to the office she reported this to the defendant who became concerned that the RI's instructions had not been carried out properly and that was now evidenced in the reconciliations which had been made. The defendant told the Audit Senior that "*she was going to have to fudge it.*" On 26 March 2015, the defendant altered the G50 schedule form which had been prepared by the audit senior by hiding the reconciliations and the stock differences and making the visible working paper appear as if the work had been conducted as planned with no differences arising.
6. This conduct breached paragraph 110.1 of the Code of Ethics.
7. On 31 March 2015, the defendant, who was some five months pregnant at the time, was signed off work suffering from stress. She underwent a course of counselling to manage that stress.
8. On 22 April 2015, the defendant had a "return to work" meeting with her employer when she complained that she was being mistreated by a partner of the firm (which was partly the cause of her stress). She was invited to lodge a formal grievance against that person.
9. On 29 April 2015, the defendant was notified that she was being investigated for the alteration to the G50 form.
10. On 30 April 2015, the Defendant filed a formal grievance against the partner whom she alleged was mistreating her.
11. A disciplinary hearing took place on 4 June 2015.

12. On 16 July 2015, the defendant's contract of employment was terminated. It was also the last day in the office before maternity leave started.
13. On 31 July 2015, the defendant and the firm signed a compromise agreement about the termination of her employment.
14. When all this occurred, the defendant was five months pregnant and suffering from acute stress. This conduct resulted in the defendant's dismissal from the firm.
15. After the ICAEW began to investigate the matter, the defendant initially denied in 2015 altering the schedule. However, on 19 January 2017, through her solicitor, she accepted that the motive for deleting the two columns in the stock schedule (which was the alteration she made) to avoid further criticism and stress at work.

Issues of fact and law

16. Because the defendant admitted the complaint there were no issues of fact or law to determine.
17. The tribunal found the complaint proved on admission.

Conclusions and reasons for decision

18. The defendant has breached DBL 4.1a because she breached paragraph 110.1 of the Code of Ethics. She did this because, in or around March 2015, she altered a stock audit schedule for a client of her former firm called 'A' Limited (for the year ended 31 December 2014) so that it no longer reflected the audit work actually undertaken.

Matters relevant to sentencing

19. The tribunal considered the *Guidance on Sanctions* and saw no reason to depart from that. The tribunal was satisfied that no lesser penalty than the one imposed was appropriate.
20. The tribunal heard a persuasive plea in mitigation from the defendant's counsel. Mitigating factors are: (i) the defendant's clean disciplinary record; (ii) the defendant was demonstrably unwell at the time of the event in question; (iii) the event is a one-off event, several years ago, has not been repeated, and there is no sensible risk that it will be repeated; (iv) there is clear evidence of rehabilitation, including the defendant obtaining new employment; (v) the client was not prejudiced; (vi) the defendant has admitted the complaint; (vii) the defendant is truly sorry, remorseful and has insight into her actions.
21. The tribunal considered as an aggravating factor that the action complained of was deliberate and was at first denied.
22. The tribunal considered the defendant's means.

Sentencing Order

1. Severe reprimand
2. Fine of £2,000
3. Costs of £2,000

The sum of £4,000 is payable in 12 monthly instalments commencing on 1 December 2017. The first instalment is in the sum of £333.37 and the remaining 11 instalments are in the sum each of £333.33.

Decision on publicity

Publication with name.

Chairman

Accountant Member

Non Accountant Member

Mrs Mary Kelly

Mr Philip Coleman FCA

Mr Graham Humby

Legal Assessor

Mr Dominic Spenser Underhill

030499

CESSATION OF MEMBERSHIP

4 The following individual has ceased to be a member because of failure to pay outstanding fines and costs:

Mr Brian Edward Keates of Burton-on-Trent

The ICAEW takes all necessary steps including legal proceedings to recover the money it is owed.

INVESTIGATION COMMITTEE CONSENT ORDERS

5 Mr Michael Bernstein FCA

Consent order made on 24 October 2017

With the agreement of Mr Michael David Tobias Bernstein of 2 Jasmine Court, 1a Freshfield Drive, London, N14 4QW, the Investigation Committee made an order that he be Severely Reprimanded, fined £1,500 and pay costs of £2,492 with respect to a complaint that:

1. Between 19 August 2014 and 16 February 2017 Mr Michael Bernstein FCA engaged in public practice without holding a practising certificate, contrary to Principal Bye-law 51a.
2. Between 19 August 2014 and 16 February 2017 Mr Michael Bernstein FCA engaged in public practice without professional indemnity insurance as required by Regulation 3.1 of the Professional Indemnity Insurance Regulations.

032972

6 Carter Nicholls Limited

Consent order made on 24 October 2017

With the agreement of Carter Nicholls Limited of Victoria House, Stanbridge Industrial Park, Staplefield Lane Staplefield, Haywards Heath, West Sussex, RH17 6AS, the Investigation Committee made an order that the firm be reprimanded, fined £1,725 and pay costs of £1,718 with respect to a complaint that:

Carter Nicholls Limited, following a QAD visit on 13 October 2008, confirmed that in respect of Money Laundering Regulations 2007:

‘A self adhesive checklist will be attached to each file for each assignment year evidencing risk assessment by sign off.’

but at a subsequent QAD visit carried out on 27 April 2016, it was found that this matter had not been addressed”.

037195

7 Mr Shaun Kirby ACA

Consent order made on 25 October 2017

With the agreement of Mr Shaun Kirby of 9 Amott Road, London, SE15 4HU, the Investigation Committee made an order that he be reprimanded, fined £3,000 and pay costs of £2,218 with respect to a complaint that:

1. Mr Shaun Kirby ACA acted as responsible individual in respect of his firm's, A's, audit of the following entities in respect of the year ended 31 December 2015:

Name of entity	Date of audit report
'B' plc	22 April 2016
'C' Limited	22 April 2016
'D' Limited	22 April 2016
'E' LLP	22 April 2016
'F' Limited	25 April 2016

when circumstances existed where it was probable that a reasonable and informed third party would conclude that his objectivity either was impaired or was likely to be impaired, in breach of APB Ethical Standard 1.

2. Between 13 April 2016 and 23 June 2016, Mr Shaun Kirby ACA failed to notify his firm of his potential employment with 'E' LLP, causing his firm to be in breach of APB Ethical Standard 2.

035977

8 Paul Antony Ronan FCA

Consent order made on 3 November 2017

With the agreement of Mr Paul Antony Ronan of 3 Abbeylands, High Street, Dunbar, East Lothian, EH42 1EH the Investigation Committee made an order that he be severely reprimanded, fined £5,000 and pay costs of £3,605 with respect to a complaint that:

1. Between 30 January 2014 and 27 February 2014 Mr P Ronan FCA failed to comply with regulation 10 of the Clients' Money Regulations as, on three occasions, he paid client's money, totalling £3,529.30 into his firm's office bank account.
2. Between 12 June 2013 and 15 May 2014 Mr P Ronan FCA failed to comply with regulation 22 of the Clients' Money Regulations as he withdrew money from his firm's client bank account towards the payment of fees for ten clients without agreeing the precise amount with the client or before 30 days had elapsed since the date of delivery to the client of a statement of fees.
3. Mr P Ronan FCA failed to comply with regulation 20 of the Clients' Money Regulations, as on the following occasions he withdrew funds from the firm's client bank account without written authority or in accordance with any written contract with the client:
 - a. On 27 January 2014 a withdrawal of £1,000
 - b. On 30 January 2014 a withdrawal of £1,814.20
 - c. On 10 February 2014 a withdrawal of £691
 - d. On 8 April 2014 a withdrawal of £3,900

022901

9 Mr Mohammed Azeem Malik ACA

Consent order made on 3 November 2017

With the agreement of Mr Mohammed Azeem Malik of 277 Roundhay Road, Leeds, West Yorkshire, LS8 4HS, the Investigation Committee made an order that he be severely reprimanded, fined £2,700 and pay costs of £3,205 following a complaint that:

Mr M Malik ACA failed to act diligently and in accordance with applicable technical and professional standards when providing professional services to 'X', because:

- a) he failed to submit an Accountants' Report to the Solicitor's Regulation Authority, in respect of 'X' for the period ended 30 September 2007, until 7 November 2008;
- b) he failed to carry out timely audit procedures which would have led to the identification of an obvious fraud before the SRA visited 'X' on the 2 September 2008; as a consequence of this behaviour he was subject to an adverse finding of the Disciplinary Committee of the Association of Chartered Certified Accountants.

006569

10 Mr Matthew Robert Haw ACA

Consent order made on 6 November 2017

With the agreement of Mr Matthew Robert Haw of York Lodge, 13 Christchurch Road, Sidcup Kent, DA15 7HG, the Investigation Committee made an order that he be severely reprimanded, fined £6,600 and pay costs of £2,598 with respect to a complaint that:

On 13 July 2011 Mr Matthew Robert Haw ACA received and distributed to a partner within 'X' LLP confidential information when he knew or was reckless as to whether the information was confidential.

010535

11 Mr Alan George Kent FCA

Consent order made on 6 November 2017

With the agreement of Mr Alan George Kent FCA of Greengates, Church Street, Rudgwick HORSHAM, RH12 3ET, the Investigation Committee made an order that he be severely reprimanded, fined £10,600 and pay costs of £5,880 with respect to a complaint that:

1. Mr A G Kent FCA failed to use an acceptable valuation method for the valuation of the shares in 'A' Ltd as at 31 March 1982.
2. Between 14 March 2013 and 7 October 2013 Mr A G Kent FCA failed to reply to correspondence from 'C' in relation to HMRC queries on the valuation of 'A' Ltd.
3. Between 21 November 2012 and 24 February 2017 Mr A G Kent FCA failed to provide a response to the professional enquiry letter from Mrs 'B's new advisers.
4. Mr A G Kent FCA incorrectly claimed Entrepreneurs' Relief on a capital gain made by his client Mrs 'B' when she was not entitled to the relief.

024765

12 Brian Paul Limited

Consent order made on 16 November 2017

With the agreement of Brian Paul Limited of Chase Green House, 42 Chase Side, Enfield, Middlesex, EN2 6NF, the Investigation Committee made an order that the firm be severely reprimanded, fined £9,750 and pay costs of £3,042 following a complaint that:

1. Brian Paul Limited issued the following audit reports in respect of 'A' Limited when it was not independent as its director, Mr Brian O'Leary, was the company secretary of the entity, during the year of the entity being audited, in breach of section 27 of the Companies Act 1989:
 - a. Year ended 31 March 2005, audit report signed 21 October 2005;
 - b. Year ended 31 March 2006, audit report signed 21 June 2006; and
 - c. Year ended 31 March 2007, audit report signed 20 June 2007.

2. Brian Paul Limited signed the following audit reports in respect of 'A' Limited when it was not independent as its director, Mr Brian O'Leary, was the company secretary of the entity, during the year of the entity being audited, in breach of section 1214 of the Companies Act 2006:
 - a. Year ended 31 March 2008, audit report signed 18 June 2008;
 - b. Year ended 31 March 2009, audit report signed 11 November 2009;
 - c. Year ended 31 March 2010, audit report signed 21 September 2010;
 - d. Year ended 31 March 2011, audit report signed 14 June 2011; and
 - e. Year ended 31 March 2012, audit report signed 13 June 2012.

3. Brian Paul Limited breached audit regulation 3.11 in that it failed to retain copies of the audit working papers for 'A' Limited in respect of the following years:
 - a. Year ended 31 March 2010, audit report signed 21 September 2010;
 - b. Year ended 31 March 2011, audit report signed 14 June 2011; and
 - c. Year ended 31 March 2012, audit report signed 13 June 2012.

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AUDIT REGISTRATION COMMITTEE

ORDER – 18 OCTOBER 2017

13 Publicity Statement

Hayward Wright Ltd, 4 Clews Road, Redditch, Worcestershire, B98 7ST, has agreed to pay a regulatory penalty of £8,000, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breach of a restriction imposed under audit regulation 7.01 in that the firm accepted three audit appointments without seeking prior approval from the ARC and for its breach of audit regulation 6.06 for failing to disclose these clients on its 2014 and 2015 annual returns.

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All enquiries to the Professional Conduct Department, T +44 (0)1908 546 293