



Disciplinary Orders and Regulatory Decisions

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Disciplinary orders

Disciplinary Committee tribunal orders

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DISCIPLINARY COMMITTEE TRIBUNAL ORDERS

1. **Mr Octavius Nsobiari George FCA** of
LAGOS, NIGERIA

A Tribunal of the Disciplinary Committee made the decision recorded below having heard a formal complaint on 18 April 2018

Type of Member Member

Terms of Complaint

1. Between 31 January 2015 and 15 May 2017 Mr Octavius George FCA failed to certify compliance with Continuing Professional Development requirements for the period 1 November 2013 to 31 October 2014 in breach of Principal Bye-Law 56c.
2. Between 31 January 2016 and 15 May 2017 Mr Octavius George FCA failed to certify compliance with Continuing Professional Development requirements for the period 1 November 2014 to 31 October 2015 in breach of Principal Bye-Law 56c.
3. Between 31 January 2017 and 15 May 2017 Mr Octavius George FCA failed to certify compliance with Continuing Professional Development requirements for the period 1 November 2015 to 31 October 2016 in breach of Principal Bye-Law 56c.

Mr Octavius Nsobiari George is therefore liable to disciplinary action under Disciplinary Bye-law 4.1c.

Hearing date	18 April 2018
Previous hearing dates	None
Pre-hearing review or final hearing	Final hearing
Complaint found proved	Yes
All heads of complaint found proved	Yes
Sentencing order	Reprimand Practising certificate withdrawn indefinitely Costs of £2,000

Procedural matters and findings

Parties and representation	The Investigation Committee ('IC') was represented by Mrs Silpa Tozar The defendant was not present and was not represented
Hearing in public or private	The hearing was in public
Decision on service	The Tribunal was satisfied that service was in accordance with regulations 3 and 5 of the Disciplinary Committee Regulations

Documents considered by the tribunal

The Tribunal considered the documents contained in the Investigation Committee's bundle

Preliminary

1. Notice of the hearing was sent by post to Mr George ('the defendant') on 26 January 2018. The notice was sent to his registered address.
2. No response to the notice of hearing had been received from the defendant. The Tribunal was informed that on 21 February 2018 a person who identified herself as the defendant's niece, Ms 'A', contacted ICAEW. She confirmed that the defendant had received the notice of hearing and asked if a copy of the paperwork could be sent to her. ICAEW had sought the defendant's authority to communicate with Ms 'A' about this hearing but that had not been forthcoming.
3. The Tribunal was satisfied that service had been effected in accordance with Regulations 3 and 5 of the Disciplinary Committee Regulations ('OCR'). The Tribunal was further satisfied, in light of the above, that the defendant was aware of today's hearing. The Tribunal considered that it was in the public interest to proceed in the absence of the defendant. Given his lack of engagement there was no reason to think he would attend or take part if the hearing was relisted and therefore adjourning the hearing would serve no useful purpose.

The Investigation Committee's case

4. The defendant has been a member of the ICAEW since 1965.
5. The defendant submitted his Continuing Professional Development ('CPD') declarations until the year ended 31 October 2013. He has not submitted his CPD declarations for the years 2014, 2015 and 2016.
6. The defendant was reminded to submit his CPD declarations by chaser letters and emails sent on 29 July 2016 and 14 December 2016. No response was received from the defendant. On 11 January 2017 the defendant was warned by letter that consideration was being given to disciplinary action and he was asked again to provide the outstanding declarations. Further chasers were sent on 7 February 2017 and 7 March 2017. Again, no response has been received from the defendant.
7. Principal Bye-law ('PBL') 56.c requires a member to certify annually to the Institute that he has complied with the CPD requirements.
8. The IC's case was that the defendant has accordingly committed a breach of PBL 56.c. He is therefore liable to disciplinary action under DBL 4.1.c which states that a member is liable to disciplinary action 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.'

Conclusions and reasons for decision

Decision on complaint

9. The Tribunal had sight of a print-out showing that the defendant's CPD declaration was outstanding and of the correspondence referred to above.

10. The Tribunal was satisfied on the basis of the evidence before it that the defendant had failed to complete his annual CPD returns as set out in the complaint. It therefore found all three heads of complaint proved.

Matters relevant to sentencing

11. There were no previous disciplinary matters recorded against the defendant. In the absence of any communication from the defendant there were no other mitigating factors the Tribunal could take into account.
12. The Tribunal had regard to ICAEW's Guidance on Sanctions. The starting point for sanction where a member fails to make an annual CPD declaration is a reprimand and a financial penalty of £850 for each year of failure. The Tribunal also has the power under DBL 22.3.b to withdraw the defendant's practising certificate either permanently or for a specified period. The GOS states that when a practising certificate is withdrawn for a period in excess of four years a member will have to satisfy the Learning and Professional Development Board as to his competence before it can be returned.
13. The Tribunal's principal concern was that the defendant was continuing to practise whilst not complying, over a lengthy period, with his CPD obligations. Therefore, in the Tribunal's view, the appropriate and proportionate order was to reprimand the defendant and direct that his practising certificate be withdrawn indefinitely until such time as he has demonstrated his competence to practise to the Learning and Professional Development Board. The Tribunal did not consider, particularly in light of the defendant's age, that it was necessary to additionally fine the defendant.
14. The IC applied for costs. The application was supported by a schedule giving a breakdown of the costs incurred. The Tribunal considered that in principle the defendant should pay the costs incurred as a result of his default. Having regard to the schedule, the Tribunal considered that fair and reasonable sum for costs was £2,000.

Sentencing order

15. Therefore in the Tribunal's view the appropriate and proportionate sanction was to reprimand the defendant and to withdraw his practising certificate indefinitely.
16. The Tribunal ordered the defendant to pay costs of £2,000.

Decision on publicity

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

Non Accountant Chairman	Mr Richard Farrant	
Accountant Member	Mr Mike Ranson FCA	
Non Accountant Member	Mr Graham Humby	
Legal Assessor	Mr Andrew Granville Stafford	035314

[Since this decision Mr George was ceased for non-payment of the fines and costs in this matter]

2. Mr John Thomas George Harris ACA
of NORTHAMPTON, United Kingdom

A tribunal of the Disciplinary Committee made the decision recorded below having heard a formal Complaint on 15 May 2018

Type of Member Member

Terms of Complaint

1. Mr John Harris, ACA, between 25 July 2011 and 05 September 2014, did not ensure that the appeal sent to Her Majesty's Courts and Tribunal Service on 01 July 2011, on behalf of Mr 'H' for the VAT quarters ended July 2002-April 2006, had been successfully submitted when he ought to have known that it had not been.
 2. Between 27 February 2013 and 05 September 2014 Mr Harris maintained to HMRC and Mr 'H' that the appeal sent to Her Majesty's Courts and Tribunal Service on 01 July 2011, for the VAT quarters ended July 2002-April 2006, had been successfully submitted when he ought to have known that it had not been.
- 3A Mr John Harris, ACA, submitted a letter dated 03 May 2013 to HMRC stating that "On 1st July 2009, I left 'A' and established a partnership, Harris & Clark LLP. The question of the appeal has clearly fallen between the two partnerships." The above comment was dishonest because Mr Harris knew that he had made the appeal application in July 2011 from the partnership Harris & Clark LLP.

and /or:

- 3B Mr John Harris, ACA, when submitting a letter dated 03 May 2013 to HMRC stating that on 1st July 2009, I left 'A' and established a partnership, Harris & Clark LLP. The question of the appeal has clearly fallen between the two partnerships," should have known that he had made the appeal application in July 2011 from the partnership Harris & Clarke LLP.

Mr John Thomas George Harris is therefore liable to disciplinary action under Disciplinary Bye-law 4.1.b for complaints 1,2 and 3(B) and 4.1.a for complaint 3(A)

A member is liable to disciplinary action under Disciplinary Bye-law 4.1.b if he has performed his professional work or the duties of his employment, or conducted his practice inefficiently or incompetently to such an extent, or on such a number of occasions, as to bring discredit on himself, the Institute or the profession of accountancy.

A member is liable to disciplinary action under Disciplinary Bye-law 4.1.a if in the course of carrying out professional work or otherwise he has committed any act or default likely to bring discredit on himself, the Institute or the profession of accountancy.

Hearing dates	15th May 2018
Previous hearing dates	None
Pre-hearing review or final hearing	Final hearing
Complaints found proved	1 and 2 by admission
Complaints found not proved	3A and 3B

Sentencing order

Reprimand
Fine £1,300
Costs £5,000

Procedural matters and findings**Parties and representation**

The Investigation Committee ('IC') was represented by Mrs Silpa Tozar
Mr Harris ('the defendant') was present and was represented by Mr Scott Allen of Counsel

Hearing in public or private

The hearing was in public

Decision on service

The Tribunal was satisfied that service was in accordance with regulations 3 and 5 of the Disciplinary Committee Regulations

Documents considered by the Tribunal

The Tribunal considered the documents contained in the Investigation Committee's bundle and documents produced by the defendant.

The Investigation Committee's case

1. The defendant has been a member of the ICAEW since 1984. In 2009 he set up his own accountancy practice in partnership as Harris & Clarke LLP. Prior to that he worked as an accountant for 'A'.
2. One of the defendant's clients was Mr 'H' who ran a second hand car sales business. In 2010 HMRC raised an assessment against Mr 'H' on the grounds of under-declaration of sales in his VAT returns for the period May 2002 to July 2006. As a result he was required to pay additional VAT of £6,808.
3. The defendant sought a formal review of the assessment on Mr 'H's behalf. On 14 June 2011 HMRC wrote to Mr 'H' informing him that its review of the matter was complete and that the assessment had been upheld. The letter informed Mr 'H' that any further challenge must be by an appeal to an independent tribunal and that he had 30 days in which to do so.
4. On 1 July 2011 the defendant, on behalf of Mr 'H', filed an appeal notice with the First-tier Tax Tribunal ('FTT'). At the same time he wrote to HMRC requesting that payment of the outstanding tax be deferred pending the outcome of the appeal.
5. On 18 July 2011 the FTT returned the notice of appeal to the defendant on the basis that he had not included a copy of the decision being appealed. On 20 July 2011 the defendant replied to the FTT saying he was enclosing 'further letters as requested'.
6. The FTT replied in a letter which bears the date 18 July 2011 but must have been written after that. The FTT stated that it still had not received the HMRC decision letter that was being appealed and that without it the appeal could not proceed. The IC submitted that in all likelihood this letter was written on or about 25 July 2011 as that was the date on which the defendant's letter of 20 July was stamped as having been received.
7. The IC's case was that when he received the letter sent on or around 25 July 2011, the defendant had been told twice by the FTT that the appeal could not proceed until he supplied a copy of the HMRC's decision letter.

8. Further correspondence with HMRC followed. On 29 September 2011 HMRC told Mr 'H' that he did not have to pay the disputed tax until his appeal was heard. A copy of the letter was sent to Harris & Clarke LLP.
9. On 29 November 2011 HMRC wrote to the defendant stating that it had still not received notification from the Tribunal service of his client's appeal. It added that unless confirmation of an appeal was received within 30 days, its Debt Management Unit would be instructed to take enforcement action.
10. In February 2013 HMRC wrote to Mr 'H' chasing payment. The defendant wrote back on 27 February 2013 asserting that Mr 'H' had 'already appealed'. He suggested that HMRC should check its records and 'move the process towards tribunal if that is your intention'.
11. On 24 April 2013 HMRC replied setting out the relevant chronology. It said the reason debt recovery action had been taken was because there had been no response within the required timescale to its letter of 29 November 2011. HMRC once again said it had no record of a tribunal appeal by Mr 'H' and suggested that the defendant should contact the FTT.
12. On 3 May 2013 the defendant wrote to HMRC stating as follows:

'I can advise that on 1st July 2009, I left 'A' and established a partnership, Harris & Clarke LLP.

The question of the appeal has clearly fallen between the two partnerships. Consequently, I will now have to contact my old firm with a view to reviewing the correspondence and the appeal.

I would therefore ask that I am granted additional time to perform this task and would suggest a target reply date of 30th June 2013.'
13. HMRC wrote to Mr 'H' on 16 and 24 September 2013 requesting payment of the amount outstanding of £8,925.23. On 8 October 2013 the defendant responded asking HMRC to check its files and stating that the matter was 'subject of a tribunal hearing/appeal the date of which has yet to be determined'.
14. On 19 June 2014 a notice was issued by HMRC to Mr 'H' for payment of £8,925.23. On 9 July 2014 the defendant responded asking HMRC to review its files on the basis that they were 'waiting for a tribunal'. Given the correspondence that had taken place between the defendant, the FTT and HMRC, the IC submitted that the defendant could not reasonably have believed he was waiting for a tribunal date and ought to have known the appeal had not been successfully submitted.
15. On 21 August 2014, HMRC wrote again to the defendant saying that it had no record of an appeal having been made and again suggesting that the defendant contact the FTT. This letter referred to the defendant's previous letter of 3 May 2013. It noted that no appeal had been received from the defendant by the deadline he had been given, namely 30 June 2013, and this was why enforcement action was being taken.
16. The defendant sent Mr 'H' an email on 3 September 2014 saying that he still had 'the option of a tribunal'. He told Mr 'H' in this email that he was 'satisfied that the letter [from HMRC] does not say that we have not lodged an appeal. It says that HMRC verbally told us that an appeal was still outstanding.'

17. On 5 September 2014 Mr 'H' replied to the Defendant by email pointing out that HMRC were saying it could find no evidence of an appeal being filed and asking the Defendant to check his records and confirm whether he had such evidence.
18. The same day the defendant wrote to HMRC enclosing his letter dated 1 July 2011 and asking it to look into the matter. HMRC wrote back stating it had again checked its records and it could confirm that it had not been informed of an appeal.
19. On 16 September 2014 the defendant wrote to HMRC stating that 'for the avoidance of doubt' he would like to make a fresh appeal. Correspondence from the defendant to the FTT was returned on 25 September 2014 with the observation that a copy of the decision sought to be appealed had not been included.
20. On 8 December 2014 the defendant wrote to HMRC stating that 'for reasons that are not wholly clear an appeal that had been lodged in 2011 was not enacted'. The defendant explained that Mr 'H' now lived in France and was offering £3,404 in full settlement. HMRC's response was that until the FTT allowed an appeal, the full amount of tax and penalties were due. On 23 January 2015 the defendant replied to HMRC stating that he was getting the files from archives in order to fully review the position.
21. On 12 March 2015 Mr 'H', having disengaged the defendant, lodged an appeal himself. This was heard by the FTT on 8 January 2016. It was refused on the grounds that the appeal was three years and eight months out-of-time and there was no sufficient reason to exercise the discretion to extend the time limit. In its decision the FTT said as follows:

'We have to say we find [the defendant's] behaviour extraordinary. He seems to have been an experienced accountant who had worked for a well-known firm for many years before setting up on his own and we would have expected him to have a better knowledge of the tax appeals process. He might have been lulled into thinking that the appeal had been successfully submitted in light of the long gaps in the correspondence with HMRC but we are unable to understand why he proceeded with his assertions in the light of HMRC repeatedly informing him they had not had notice of the appeal and why he failed to chase up the tribunal if he genuinely believed that the appeal had been lodged.

[the defendant] must have known that the appeal had not been submitted successfully. Even if he believed that it had as a result of confusion in the dates of the tribunal's letters, he was an experienced accountant and must have had some knowledge of the time taken to progress appeals. We cannot understand why [the defendant] acted in the way he did, asserting that an appeal had been made when in all likelihood he knew it had not, and if he thought it had been made, failing to follow up with the Tribunal.'

22. The IC's case on Complaint 1 was that between July 2011 and September 2014 the Defendant ought to have been aware that the appeal had not been successfully submitted and should have taken steps to ensure it had.
23. The IC alleged on Complaint 2 that the defendant had reassured Mr 'H' on several occasions between February 2013 and September 2014 that the appeal was ongoing when he ought to have known it was not. He made similar representations to HMRC.
24. The IC alleged that the Defendant was liable to disciplinary action under Disciplinary Bye-law ('DBL') 4.1.b in respect of both Complaint 1 and Complaint 2.

25. Complaint 3 relates to the letter the defendant sent to HMRC on 3 May 2013 in which he said 'The question of the appeal has clearly fallen between the two partnerships.' Given that the defendant left 'A' in July 2009 and the appeal was not started until July 2011 the IC submitted that this statement was a deliberate attempt to mislead and therefore dishonest (Complaint 3A). The IC alleged that this renders the defendant liable to disciplinary action under DBL 4.1.a.
26. Alternatively the IC submitted that the defendant should have known this statement was inaccurate and by making it he is liable to disciplinary action under DBL 4.1.b (Complaint 3B).

The defendant's case

27. The defendant admitted Complaint 1. He said his understanding was that he had launched a valid appeal on Mr 'H's behalf in July 2011. He said when he wrote to the FTT on 20 July 2011 he enclosed all the relevant documentation requested or at least he intended to do so, though he would have left it to his secretary to post the letter and enclosures. He therefore believed he had filed all the documents necessary for the appeal to take place.
28. The defendant says that his client Mr 'H' was quite happy to accept the lack of progress. An appeal would be costly and unlikely to be worth it. He says that he had Mr 'H' stood to benefit only by £460 if the appeal was successful and he had in fact advised Mr 'H' to pay up and move on. However, he now accepts that he should have made further investigations with the FTT to ensure the appeal had been properly lodged. He apologises for not having done so.
29. The Defendant admitted Complaint 2 in part. He accepted that the letters sent to HMRC between 27 February 2013 and 5 September 2014 should not have been written in the terms they were. He admitted that he had maintained to HMRC that the appeal had been properly submitted when he ought to have known it had not. He therefore admitted Complaint 2 in so far as it related to HMRC. However, he had no recollection of what communications he had with Mr 'H' during this period and therefore he was unable to admit Complaint 2 in so far as it related to him.
30. The defendant denied Complaints 3A and 3B. He disputed that he had acted either dishonestly or incompetently by saying in his letter of 3 May 2013 that 'the question of the appeal has clearly fallen between the two partnerships'. He said that this letter should be read in conjunction with HMRC's letter of 24 April 2013 to which it was replying. Read as a whole, it is clear from this correspondence that the defendant is not asserting that the appeal had commenced whilst he was still at 'A'. The letters state on their face that he left 'A' in July 2009 and the appeal process did not start until two years later in July 2011.
31. The defendant said that, looked at as a whole his letter of 3 May 2013 was saying that he would need to conduct a thorough review which would include looking at documents he believed were held by his former firm 'A'. He accepted that his language was not as clear as it could have been. He should have said that the inquiry, rather than the appeal, had fallen between the two partnerships.
32. Nonetheless, read in context the line in question did not assert that the appeal had been started whilst he was at 'A' and therefore was neither dishonest (as alleged in Complaint 3A) or incompetently inaccurate (as alleged in Complaint 3B).

Conclusions and reasons for decision

Decision on Complaints

33. The Tribunal found Complaint 1 proved by admission.
34. During the course of his evidence, the Defendant accepted that he would have kept his client Mr 'H' updated as to the course of the appeal. Therefore the logical inference was that as he had maintained to HMRC that the appeal had been successfully submitted, he would have told the client the same. In light of this concession Mr Allen on behalf of the defendant accepted that Complaint 2 was made out in full. Accordingly the Tribunal also found Complaint 2 proved by admission.
35. Therefore the issues for the Tribunal to decide where:

In respect of Complaint 3A, whether the defendant had acted dishonestly by stating in his letter of 3 May 2013 that 'the question of the appeal has clearly fallen between the two partnerships';

In the event that Complaint 3A was not proved, whether Complaint 3B was proved on the basis that the statement in question was inaccurate to such an extent it amounted to inefficiency or incompetency which brings discredit on him, the Institute or the profession.
36. The Tribunal took into account all the documents before it, the oral evidence of the defendant and the written statement of his receptionist, Ms 'B', which was admitted unchallenged. The Tribunal bore in mind that the burden of proof was on the IC and the standard of proof was the civil standard, namely proof on the balance of probabilities.
37. In respect of Complaint 3A the key issue was whether the defendant had acted dishonestly. The Tribunal accepted the advice of the Legal Assessor. Following *Ivey v Genting Casino (UK) Ltd* [2017] UKSC 67, the Tribunal must establish what the defendant had done and what his state of knowledge or belief was. It must then decide whether that conduct was dishonest by the standards of ordinary decent people.
38. The Tribunal did not consider that the defendant's conduct could properly be characterised as dishonest.
39. The phrase in question was ambiguous. It could be taken to refer to the application for the appeal, which could only relate to work done by the new firm. But it could, as the defendant contended, refer to the overall investigation into Mr 'H's' affairs, which straddled the work done by the two firms. The IC had not, in the Tribunal's view, established this to be clearly inaccurate and misleading.
40. The Tribunal accepted, as the defendant said in evidence, that his objective in writing that letter was to buy time for his client. This is not of itself dishonest motive. Therefore the IC had not proved that the defendant's conduct would be regarded as dishonest by reasonable and honest members of the public.
41. The Tribunal also found Complaint 3B not proved. As stated above, the words used were at worst ambiguous. In the absence of a finding that they were positively inaccurate or misleading this complaint could not be proved. In any event it would have been impossible for the Tribunal to find that writing a letter in these terms amounted to inefficiency or incompetence on such a scale as to bring discredit to the profession.

Matters relevant to sentencing

42. The Tribunal took into account that no previous disciplinary matters had been recorded against the defendant in an otherwise exemplary career of 34 years as an accountant.
43. Mr Allen submitted that there were no wider public interest concerns to be considered in this case and the reputation of the profession has not been seriously impaired by these failings which were isolated and related to only one client. Further he submitted that his actions had to be seen on the basis he was trying to assist someone who was both a long-standing client and a friend and to whom he had charged no fee.
44. It accepted that he had not been motivated by financial gain and that there was no demonstrable loss. However, his failings had caused delay and at very least inconvenience to his client and had been perpetrated over a lengthy period.
45. The Tribunal had regard to ICAEW's Guidance on Sanctions. Section 16 of the Guidance deals with general accountancy failings.
46. Mr Allen submitted on behalf of the defendant that the appropriate categories were (f) *Lack of attention/delay on client's affairs* and (g) *Bad advice on client's affairs*. The starting point for both categories was a reprimand and a financial penalty of £1,300. Mr Allen submitted that there was no reason in this case to depart from that starting point and the Tribunal agreed.
47. The IC applied for costs in the sum of £10,444. Mr Allen did not dispute that the defendant was liable to pay costs. However, he submitted that as two of the four allegations had not been proved, including the most serious allegation of dishonesty, it would be appropriate to reduce the sum claimed by approximately half. The Tribunal accepted this submission. In the Tribunal's view the appropriate and proportionate figure to award in respect of costs was £5,000.

Sentencing order

48. Therefore in the Tribunal's view the appropriate and proportionate sanction was to reprimand the defendant and in addition impose a fine of £1,300.
49. The tribunal ordered the defendant pay costs of £5,000.

Decision on publicity

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

Chairman (Non Accountant)
Accountant Member
Non Accountant Member
Legal Assessor

Mr Ron Whitfield
Mr Martin Ward FCA
Ms Martha Maher
Mr Andrew Granville Stafford

035784

CESSATION OF MEMBERSHIP

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

Mr Steven James Ashton of Nigeria

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

INVESTIGATION COMMITTEE CONSENT ORDERS

4. **Mr Steven James Ashton FCA**

Consent order made on 18 May 2018

With the agreement of Mr Steven James Ashton FCA of LAGOS, NIGERIA, the Investigation Committee made an order that he be reprimanded, fined £1,300 and pay costs of £955 following a complaint that:

Between 29 August 2016 and 7 June 2017 Mr Steven Ashton FCA failed to submit his CPD records for the year ended 31 October 2015 in breach of Principal Bye-law 56c.

037625

5. **Aspen Waite Limited**

Consent order made on 18 May 2018

With the agreement of Aspen Waite Limited of Rubis House, 15 Friarn Street, Bridgwater, Somerset, TA6 3LH, the Investigation Committee made an order that the firm be severely reprimanded, fined £22,500 and pay costs of £1,500 with respect to a complaint that:

1. On 20 December 2011, Aspen Waite Limited signed an unqualified audit report on the financial statements of 'X' Limited for the year ended 31 March 2011 which stated that the accounts gave a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, when the financial statements did not comply with the Financial Reporting Standard' for Smaller Entities (effective April 2008) as they failed to correctly account for the 'hive-up' of the trade and assets of its subsidiary company, 'Z' Limited.
2. On 20 December 2012, Aspen Waite Limited signed an unqualified audit report on the financial statements of 'Y' Limited (formerly 'X' Limited) for the year ended 31 March 2012 which stated that the accounts had been prepared in accordance with the requirements of the Companies Act 2006, when those accounts did not comply with The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) as they did not contain a note explaining the non-comparability of corresponding amounts for the financial year ended 31 March 2011 with the financial statements that had been approved for that former period.

036773

6. Crowe Clark Whitehill LLP

Consent order made on 18 May 2018

With the agreement of Crowe Clark Whitehill LLP of St Bride's House, 10 Salisbury Square, London, EC4Y 8EH, the Investigation Committee made an order that the firm be reprimanded, fined £12,750 and pay costs of £5,567 with respect to a complaint that:

- 1a. On 30 November 2015, Crowe Clark Whitehill LLP issued an unqualified audit report on the financial statements of 'X' plc for the year ended 31 May 2015, when the audit had not been conducted in accordance with International Standard on Auditing (UK and Ireland) 500 'Audit evidence' as the firm failed to obtain sufficient appropriate audit evidence in respect of the valuation of certain of its investments.

And

- 1b. On 30 November 2015, Crowe Clark Whitehill LLP issued an unqualified audit report on the financial statements of 'X' plc for the year ended 31 May 2015, when the audit had not been conducted in accordance with International Standard on Auditing (UK and Ireland) 230 'Audit documentation' in that the firm failed to prepare, on a timely basis, audit documentation that provided:
- a) a sufficient and appropriate record of the basis for the auditor's report; and
 - b) evidence that the audit was performed in accordance with ISA's (UK and Ireland) and applicable legal and regulatory requirements in respect of the valuation of certain of its investments.

033274

7. Haines Watts Birmingham LLP

Consent order made on 15 June 2018

With the agreement of Haines Watts Birmingham LLP of Sterling House, 71 Francis Road, Birmingham, West Midlands, B16 8SP, the Investigation Committee made an order that the firm be reprimanded, fined £2,000 and pay costs of £2,136 with respect to a complaint that:

On 29 January 2016, Haines Watts Birmingham LLP signed an audit report on the financial statements of 'X' for the year ended 30 September 2015 when the audit was not conducted in accordance with International Standard on Auditing (UK and Ireland) 230 'Audit Documentation', in that the firm failed to document a sufficient and appropriate record of the work undertaken to support the accounting treatment of the rent premium balance recorded as a current asset in other debtors.

035678

8. Chantrey Vellacott

Consent order made on 15 June 2018

With the agreement of Chantrey Vellacott of 150 Aldersgate Street, LONDON, EC1A 4AB, the Investigation Committee made an order that the firm be reprimanded, fined £1,300 and pay costs of £2,680 with respect to a complaint that:

Between 19 February 2013 and 20 December 2013 Chantrey Vellacott failed to respond to a letter from HMRC dated 18 February 2013 in relation to 'X'.

035413

9. Mr Harvey Christophers ACA

Consent order made on 15 June 2018

With the agreement of Mr Harvey Christophers of Amsterdam, the Investigation Committee made an order that he be reprimanded and pay costs of £1,068 with respect to a complaint that:

Between 1 September 2016 and 3 July 2017 Mr Harvey Christophers ACA engaged in public practice without holding a practising certificate, contrary to Principal Bye-law 51a.

038907

10. Miss Elaine New ACA

Consent order made on 15 June 2018

With the agreement of Miss Elaine New ACA of Windsor, United Kingdom, the Investigation Committee made an order that she be severely reprimanded, fined £6,600 and pay costs of £3,112 with respect to a complaint that:

- 1 Ms Elaine New ACA, in her capacity as a director, approved accounts on 28 June 2011 for filing at Companies House in respect of 'X' Limited for the year ended 30 June 2010 when they were not properly prepared in that there was a difference of US\$8.9m in brought forward net liabilities at 30 June 2009 compared with the previously reported position.
- 2 Ms Elaine New ACA, in her capacity as a director failed to file amended accounts of 'X' Limited for the year ended 30 June 2010 with Companies House when she knew that the filed accounts on public record contained provisional figures which would need to be revised.
- 3 Ms Elaine New ACA, in her capacity as a director approved the accounts of 'X' Limited for the year ended 30 June 2011, on 30 March 2012, and allowed those accounts to be filed on public record at Companies House, when they were not properly prepared, in that the comparatives did not agree to the previously reported figures and there was no reconciliation of the change in shareholder's funds between the previously reported position at 30 June 2009 and the position at 30 June 2010.

009665

11. Mr Graham Macleod ACA

Consent order made on 15 June 2018

With the agreement of Mr Graham Macleod of Cheshire, United Kingdom, the Investigation Committee made an order that he be reprimanded, fined £1,000 and pay costs of £1,249 with respect to a complaint that:

Between 14 October 2014 and 24 August 2016, Mr Graham Macleod ACA engaged in public practice without holding a practising certificate contrary to Principal Bye-law 51a.

038113

AUDIT REGISTRATION COMMITTEE

ORDER – 21 FEBRUARY 2018

12. Publicity Statement

The registration as company auditor of G J Jackson Accountants Limited, 5 Victoria Avenue, Bishop Auckland, County Durham, DL14 7JH, was withdrawn on 30 May 2018 under audit regulation 7.03g of the Audit Regulations and Guidance for failing to comply with conditions and restrictions imposed by the Audit Registration Committee. The responsible individual status of Mr Gary Joseph Jackson was also withdrawn under audit regulation 4.08e.

014187

ORDER – 4 APRIL 2018

13. Publicity Statement

Jones Boyd (Durham) Limited, 16 - 17 Marshall Terrace, Durham, DH1 2HX, has agreed to pay a regulatory penalty of £1,000, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breach of audit regulations 6.06 and 3.20 in that the firm incorrectly completed its 2017 annual return by confirming that a cold file review had been conducted as part of its annual compliance review when this was not the case.

043020

ORDER – 16 MAY 2018

14. Publicity Statement

C.J. Lucking & Co, 34 Cross Street, Long Eaton, Nottingham, NG10 1HD, has agreed to pay a regulatory penalty of £1,000, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breach of ISQC 1 and audit regulation 3.10 for failing to arrange an independent cold file review since 2011.

042014

ORDER – 16 MAY 2018

15. Publicity Statement

Ridehalgh Limited, Guardian House, 42 Preston New Road, Blackburn, BB2 6AH, has agreed to pay a regulatory penalty of £3,300, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breach of audit regulation 3.01 in that a person in a position to influence the conduct and outcome of the audit acted as executor of an estate that held a financial interest in an audit client that was material to the estate.

043304

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