

Disciplinary Orders and Regulatory Decisions



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Disciplinary orders

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INVESTIGATION COMMITTEE CONSENT ORDERS

1. Rostance Edwards (Staffs) Limited

Consent order made on 23 May 2019

With the agreement of Rostance Edwards (Staffs) Limited of Cannock, United Kingdom, the Investigation Committee made an order that the firm be reprimanded and pay costs of £1,043 with respect to a complaint that:

Rostance Edwards (Staffs) Limited breached audit regulation 4.04 in that it allowed Mrs 'A' FCA, to sign the following audit reports on behalf of Rostance Edwards (Staffs) Limited (trading as Dean Statham), when she was ineligible to act as a senior statutory auditor because she did not hold an appropriate qualification contrary to section 1212 of the Companies Act 2006:

- a. 'B' Limited; year ended 31 December 2017; audit opinion signed 6 June 2018; and/or
- b. 'C' Limited; year ended 31 December 2017, audit opinion signed 15 June 2018.

045513

2. Creaseys LLP

Consent order made on 23 May 2019

With the agreement of Creaseys LLP of Kent, United Kingdom, the Investigation Committee made an order that the firm be severely reprimanded, fined £125,000 and pay costs of £12,180 with respect to complaints that:

1. On 7 December 2009, Creaseys LLP issued an audit report to the Financial Services Authority (now the Financial Conduct Authority) in respect of 'X' Limited for the year ended 30 June 2009, when the audit had not been conducted in accordance with Practice Note 21 'The audit of investment businesses in the United Kingdom (Revised)' in that Creaseys LLP failed to report that 'X' Limited was not in compliance with the following client money rules:
 - a) CASS 7.6.13 in that 'X' Limited had failed to ensure that shortfalls arising from its internal reconciliations were paid into a client bank account by the close of business on the day the reconciliation was performed, and/or
 - b) CASS 7.6.16 in that 'X' Limited had failed to inform the Financial Services Authority without delay that having carried out its internal reconciliations it had not complied with the requirements of CASS 7.6.13.
2. On 28 October 2010, Creaseys LLP issued an audit report to the Financial Services Authority (now the Financial Conduct Authority) in respect of 'X' Limited for the year ended 30 June 2010, when the audit had not been conducted in accordance with Practice Note 21 'The audit of investment businesses in the United Kingdom (Revised)' in that Creaseys LLP failed to report that 'X' Limited was not in compliance with the following client money rules:
 - a) CASS 7.6.13 in that 'X' Limited had failed to ensure that shortfalls arising from its internal reconciliations were paid into a client bank account by the close of business on the day the reconciliation was performed, and/or

- b) CASS 7.6.16 in that 'X' Limited had failed to inform the Financial Services Authority without delay that having carried out its internal reconciliations it had not complied with the requirements of CASS 7.6.13.
3. On 1 December 2011, Creaseys LLP issued an audit report to the Financial Services Authority (now the Financial Conduct Authority) in respect of 'X' Limited for the year ended 30 June 2011, when the audit had not been conducted in accordance with Practice Note 21 'The audit of investment businesses in the United Kingdom (Revised)' in that Creaseys LLP failed to report that 'X' Limited was not in compliance with the following client money rules:
- a) CASS 7.6.13 in that 'X' Limited had failed to ensure that shortfalls arising from its internal reconciliations were paid into a client bank account by the close of business on the day the reconciliation was performed, and/or
- b) CASS 7.6.16 in that 'X' Limited had failed to inform the Financial Services Authority without delay that having carried out its internal reconciliations it had not complied with the requirements of CASS 7.6.13.
4. On 7 December 2009, Creaseys LLP issued an unqualified audit report on the financial statements of 'X' Limited for the year ended 30 June 2009 when the audit had not been conducted in accordance with the following International Standards on Auditing (UK and Ireland):
- a) International Standard on Auditing (UK and Ireland) 500 'Audit evidence' in that the firm failed to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the audit opinion in respect of:
- the recoverability of debtors supported by guarantees from 'Y' Ltd and Mr 'Z'; and/or, cash and bank balances; and/or, bank loans and overdrafts;
- and/or
- b) International Standard on Auditing (UK and Ireland) 570 'Going concern' in that the firm failed to obtain sufficient appropriate evidence regarding the appropriateness of management's use of the going concern assumption in the preparation of the financial statements;
- and/or
- c) International Standard on Auditing (UK and Ireland) 700 'The auditor's report on financial statements' when the presentation of the financial statements failed to give a true and fair view in that:
- cash and bank balances were understated; and/or bank overdraft was overstated; and/or, amounts of client money held as disclosed in the notes to the financial statements were overstated.
5. On 28 October 2010, Creaseys LLP issued an unqualified audit report on the financial statements of 'X' Limited for the year ended 30 June 2010 when the audit had not been conducted in accordance with the following International Standards on Auditing (UK and Ireland):

- a) International Standard on Auditing (UK and Ireland) 500 'Audit evidence' in that the firm failed to obtain sufficient appropriate audit evidence to be able to draw reasonable conclusions on which to base the audit opinion in respect of:

- the recoverability of debtors supported by guarantees from 'Y' Ltd and Mr 'Z'; and/or, cash and bank balances; and/or bank loans and overdrafts

and/or

- b) International Standard on Auditing (UK and Ireland) 570 'Going concern' in that the firm failed to obtain sufficient appropriate evidence regarding the appropriateness of management's use of the going concern assumption in the preparation of the financial statements;

and/or

- c) International Standard on Auditing (UK and Ireland) 700 'The auditor's report on financial statements' when the presentation of the financial statements failed to give a true and fair view in that:

- cash and bank balances were understated; and/or bank overdraft was overstated; and/or, amounts of client money held as disclosed in the notes to the financial statements were overstated.

6. On 30 November 2011, Creaseys LLP issued an unqualified audit report on the financial statements of 'X' Limited for the year ended 30 June 2011 when the audit had not been conducted in accordance with the following International Standards on Auditing (UK and Ireland):

- a) International Standard on Auditing (UK and Ireland) 500 'Audit evidence' in that the firm failed to obtain appropriate audit evidence to be able to draw reasonable conclusions on which to base the audit opinion in respect of:

- the recoverability of debtors supported by guarantees from 'Y' Ltd and Mr 'Z'; and/or cash and bank balances; and/or, bank loans and overdrafts; and/or, the company's investment in 'W' Ltd;

and/or

- b) International Standard on Auditing (UK and Ireland) 570 'Going concern' in that the firm failed to obtain sufficient appropriate evidence regarding the appropriateness of management's use of the going concern assumption in the preparation of the financial statements;

and/or

- c) International Standard on Auditing (UK and Ireland) 700 (Revised) 'The auditor's report on financial statements' when the presentation of the accounts failed to give a true and fair view in that:

- cash and bank balances were understated; and/or bank overdraft was overstated; and/or, amounts of client money held as disclosed in the notes to the financial statements were overstated.

024946

3. Mr Arthur Wigglesworth FCA

Consent order made on 23 May 2019

With the agreement of Mr Arthur Wigglesworth FCA of Doncaster, United Kingdom, the Investigation Committee made an order that he be severely reprimanded, fined £2,800 and pay costs of £4,178 with respect to complaints that:

1. Mr Arthur Wigglesworth FCA was a director of Arthur Wigglesworth & Co Ltd, a body corporate engaged in public practice, which entered into creditor's voluntary liquidation on grounds of insolvency on 8 October 2010, having first been placed into administration on 2 November 2009.
2. Between 2 November 2009 and 31 August 2017, Mr Arthur Wigglesworth FCA failed to comply with Practice Assurance Regulation 9 in that he did not ensure that changes to his practice were notified to ICAEW following the liquidation of Arthur Wigglesworth & Co Ltd.
3. Between 11 May 2014 and 8 June 2017, Mr Arthur Wigglesworth FCA failed to comply with Practice Assurance Regulation 9 in that he did not notify to ICAEW of the commencement of a sole practice operated by him, A Wigglesworth & Company.
4. Between 1 May 2014 and 11 April 2017, Mr Arthur Wigglesworth FCA engaged in public practice, through A Wigglesworth & Company, without professional indemnity insurance as required by Regulation 3.1 of the Professional Indemnity Insurance Regulations.
5. Between 14 November 1995 and 8 June 2017, Mr Arthur Wigglesworth FCA failed to comply with Practice Assurance Regulation 9 in that he did not notify to ICAEW of a connected firm, 'X' Ltd.

039754

4. Mr Gordon Stewart Lund ACA

Consent order made on 20 June 2019

With the agreement of Mr Gordon Stewart Lund ACA of Royston, United Kingdom, the Investigation Committee made an order that he be severely reprimanded, fined £2,800 and pay costs of £4,178 with respect to complaints that:

1. Between 5 June 2014 and 16 September 2015, Mr Gordon Lund ACA engaged in public practice without holding a practising certificate contrary to Principal Bye-law 51a.
2. Between 5 June 2014 and 7 September 2015, Mr Gordon Lund ACA engaged in public practice without professional indemnity insurance contrary to Regulation 3.1 of the Professional Indemnity Insurance Regulations.

037196

5. Mr Richard Hilton Savage

Consent order made on 20 June 2019

With the agreement of Mr Richard Hilton Savage of Manchester, United Kingdom, the Investigation Committee made an order that he be severely reprimanded, fined £1,000 and pay costs of £6,242.50 with respect to a complaint that:

1. Between 11 October 2013 and 13 November 2013 Mr Richard Savage, as proposed Nominee and Nominee in the Individual Voluntary Arrangement of Mrs 'X', did not adequately consider Mrs 'X's financial circumstances and recommended an Individual Voluntary Arrangement when this may not have been the most appropriate debt solution at the time.

028500

INVESTIGATION COMMITTEE FIXED PENALTY ORDERS

6. Miss Shirley Rogan ACA

Penalty order made on 4 June 2019

Under Disciplinary Bye-law 14A the Investigation Committee has exercised its powers under delegation to consider this complaint by way of fixed penalty.

With the agreement of Miss Shirley Rogan ACA, the Investigation Committee ordered that Miss Shirley Rogan ACA, of Reading, United Kingdom, be reprimanded with respect to a complaint that:

On 19 May 2018 Miss Shirley Rogan ACA drove a motor vehicle after consuming alcohol in excess of the prescribed limit.

045823

7. Mr Nouman Shahzad ACA

Penalty order made on 11 April 2019

Under Disciplinary Bye-law 14A the Investigation Committee has exercised its powers under delegation to consider this complaint by way of fixed penalty.

With the agreement of Mr Nouman Shahzad ACA, the Investigation Committee ordered that Mr Nouman Shahzad ACA, of Hertfordshire, United Kingdom, be reprimanded, and a fixed penalty of £700 representing a financial penalty of £1,000 to which a discount of 30% has been applied with respect to a complaint that:

Between 3 May 2016 and 31 January 2019, Mr Nouman Shahzad ACA engaged in public practice, without holding a practising certificate contrary to Principle Bye-law 51a.

047864

8. Mr Vinesh Camiah ACA

Penalty order made on 23 April 2019

Under Disciplinary Bye-law 14A the Investigation Committee has exercised its powers under delegation to consider this complaint by way of fixed penalty.

With the agreement of Mr Vinesh Camiah ACA, the Investigation Committee ordered that Mr Vinesh Camiah ACA, of Bedford, United Kingdom, be reprimanded, and a fixed penalty of £700 representing a financial penalty of £1,000 to which a discount of 30% has been applied with respect to a complaint that:

Between 4 August 2016 and 11 February 2019 Mr Vinesh Camiah ACA engaged in public practice without a practising certificate, contrary to Principle Bye-law 51a.

047841

9. Mrs Heather Self FCA

Penalty order made on 1 May 2019

Under Disciplinary Bye-law 14A the Investigation Committee has exercised its powers under delegation to consider this complaint by way of fixed penalty.

With the agreement of Mrs Heather Self FCA, the Investigation Committee ordered that Mrs Heather Self FCA, of London, United Kingdom, be reprimanded, and a fixed penalty of £700 representing a financial penalty of £1,000 to which a discount of 30% has been applied with respect to a complaint that:

Between 1 January 2018 and 28 February 2018, Mrs Heather Self FCA engaged in public practice, without holding a practising certificate contrary to Principle Bye-law 51a.

048187

10. Mr James Hitchcock ACA

Penalty order made on 29 April 2019

Under Disciplinary Bye-law 14A the Investigation Committee has exercised its powers under delegation to consider this complaint by way of fixed penalty.

With the agreement of Mr James Hitchcock ACA, the Investigation Committee ordered that Mr James Hitchcock ACA, of Kent, United Kingdom, be reprimanded, and a fixed penalty of £700 representing a financial penalty of £1,000 to which a discount of 30% has been applied with respect to a complaint that:

Between 18 April 2018 and 23 January 2019 Mr James Hitchcock ACA engaged in public practice without holding a practising certificate contrary to Principle Bye-law 51a.

047854

AUDIT REGISTRATION COMMITTEE

ORDER – 10 APRIL 2019

11. Publicity Statement

B.H. Accountancy Limited, Design Works, William Street, Felling, Tyne and Wear, NE10 0JP, has agreed to pay a regulatory penalty of £2,289, which was decided by the Audit Registration Committee. This was in view of the firm's admitted breaches of:

- audit regulations 2.03b and 2.03c for failing to ensure that a majority of the firm's voting rights were held by appropriately qualified individuals;
- audit regulation 2.11a for failing to notify ICAEW of the appointment of a director within 10 business days;
- audit regulation 2.03a for failing to ensure that the new director held affiliate status; and
- audit regulation 6.06 for incorrectly completing its 2016 and 2017 ICAEW annual returns.

046361

ORDER – 15 MAY 2019

12. Publicity Statement

Ecovis Wingrave Yeats LLP, 2nd Floor, Waverley House, 7-12 Noel Street, London, W1F 8GQ, has agreed to pay a regulatory penalty of £2,531, which was decided by the Audit Registration Committee. This was in view of the firm's breach of audit regulations 2.11a and 2.03a for its failure to notify ICAEW of changes in directors at the firm and its failure to ensure that a director held affiliate status.

048286

ORDER – 15 MAY 2019

13. Publicity Statement

Machin & Co, 19 Seer Mead, Seer Green, Beaconsfield, Buckinghamshire, HP9 2QL, has agreed to pay a regulatory penalty of £2,000, which was decided by the Audit Registration Committee. This was in view of the firm's breach of audit regulations 3.20 and 6.06 for its failure to carry out cold file reviews between 2012 and 2017, and the incorrect completion of its annual returns.

048529

ORDER – 15 MAY 2019

14. Publicity Statement

Shulman & Company, London, has agreed to pay a regulatory penalty of £5,000, which was decided by the Audit Registration Committee. This was in view of the firm's breach of audit regulation 3.03 for its failure to obtain external hot file reviews prior to signing the audit reports, where fees from the audit client have been regularly in excess of 10% of the firm's total income.

048296

INSOLVENCY LICENSING COMMITTEE

ORDER – 15 APRIL 2019

15. Publicity statement

On 15 April 2019, the Insolvency Licensing Committee ordered Mr Stephen John Burkinshaw, Swansea, United Kingdom, to pay a regulatory penalty of £500.00 for failure to undertake a compliance review in accordance with Regulation 3.13 of the Insolvency Licensing Regulations and Guidance Notes.

046646

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