

**The decision and reasons of the Regulatory Assessor for the case of Mr Kevin J. Holden FCCA and Lees Limited referred to him by ACCA on 02 March 2021.**

**Introduction**

- 1) Lees Limited is the incorporated company of ACCA members, Mr Kevin J. Holden FCCA and Mrs Rebecca J. Gordon FCCA. Mr Holden was the only audit qualified principal in the firm. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Holden's conduct of audit work.

**Basis and reasons for the decision**

- 2) I have considered all of the evidence in the booklet sent to me, including related correspondence submitted by the firm since the monitoring visit.
- 3) In reaching my decision, I have made the following findings of fact:
  - a) Mr Holden was subjected to a monitoring visit in March 2014. The outcome of the visit was satisfactory.
  - b) The firm was subjected to a monitoring visit in February 2020. At this visit, the compliance officer found that the audit opinions on the files inspected were not adequately supported by the work performed and recorded, that the firm had shortcomings in its compliance with ISQC1 and had breaches in its compliance with the global practising regulations.
  - c) Mr Holden has not renewed the firm's audit certificate and his audit qualification in the current year and has been issued with a general practising certificate.

## **The decision**

- 4) Considering that Mr Holden has not renewed his practising certificate with audit qualification and the firm's auditing certificate, I have decided pursuant to Authorisation Regulations 7(3)(b) and 7(4) that any future re-application for audit registration by Mr Holden, or by a firm in which he is a principal, must be referred to the Admissions and Licensing Committee, which should not consider the application until :
- i) He has provided an action plan, which ACCA regards as satisfactory, setting out how he intends to prevent a recurrence of the previous deficiencies and,
  - ii) Has attended a practical audit course, approved by ACCA and,
  - iii) Following the date of this decision, resat and passed paper P7 (or the equivalent advanced level audit paper) of ACCA's professional qualification.

## **Publicity**

- 5) Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Holden and the firm made under Regulation 7(2) may be published as soon as practicable, subject to any directions given by me.
- 6) I have considered the submissions, if any, made by Mr Holden regarding publicity of any decision I may make pursuant to Authorisation Regulation 7(2). I do not find that there are exceptional circumstances in this case that would justify non-publication of my decision to impose conditions or the omission of the names of the firm from that publicity.
- 7) I therefore direct pursuant to Authorisation Regulation 7(6)(a), that a news release be issued to ACCA's website referring to Mr Holden and the firm by name.

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David Sloggett FCCA  
Regulatory Assessor  
10 March 2021