

**The decision and reasons of the Regulatory Assessor for the case of Mr Harry H Burke FCCA and H H Burke & Company Limited referred to him by ACCA on 22 August 2023**

**Introduction**

1. H H Burke & Company Ltd is the incorporated practice of ACCA member, Mr Harry H Burke FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Burke'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 and the action plan prepared and submitted by the firm since the monitoring visit.
3. In reaching my decision, I have made the following findings of fact:
  - a The firm has been the subject of seven audit quality monitoring reviews;
  - b Prior to the current review, Mr Burke had six monitoring views in 1993, 1997, 2002, 2008, 2014 and 2021. His first three reviews were carried out to his unincorporated practice H H Burke & Co and the fourth, fifth and sixth reviews were to his incorporated practice, H H Burke & Company Limited.
  - c At the first five reviews, the audit work on the files inspected appeared to be of a reasonable standard and the firm's procedures to be appropriate to its circumstances and to the nature and size of the firm's audit clients. There were some deficiencies which were included in the subsequent reports.
  - d At the sixth review which was carried out remotely over March and April 2021, the Compliance Officer found that the standard of the firm's work had deteriorated. On two of the three files inspected there were serious deficiencies in audit work which had resulted in audit opinions not being adequately supported by the work performed and recorded. As a result, the outcome of the monitoring review was

unsatisfactory. The report on the review set out these deficiencies and was sent to the firm in April 2021. The Compliance Officer warned the firm that failure to rectify the deficiencies and make the necessary improvements by the time of the next monitoring review was likely to jeopardise the firm's continuing audit registration. The firm acknowledged receipt of the report in an email dated May 2021 and provided an action plan detailing the action that it intended to take to rectify the deficiencies found;

- e At the seventh review held in April 2023, the Compliance Officer found that the firm had made little effective improvement to its procedures. The firm had failed to implement the action plan it had committed to in response to the findings of the previous monitoring review and its procedures were not adequate to ensure that it conducted all audits in accordance with the International Standards on Auditing (UK) (ISAs). On two of the three files inspected there were serious deficiencies in audit work which had resulted in audit opinions not being adequately supported by the work performed and recorded. As a result, the outcome of the monitoring visit was unsatisfactory;
- f Mr Burke provided an action plan following the sixth review, but this has not proven effective in his reaching a satisfactory standard of audit work.
- g The firm has subsequently relinquished its firm's auditing certificate and Mr Burke has relinquished his practising certificate with audit qualification.

#### **The decision**

- 4. I note that Mr Burke has relinquished his practising certificate with audit qualification and his firm's auditing certificate. On the basis of the above I have decided pursuant to Authorisation Regulations 7(3)(b) and 7(4) that any future re-application for audit registration by Mr Burke, or by a firm in which he is a principal, must be referred to the Admissions and Licensing Committee, which will not consider the application until:
  - a Mr Burke has provided an action plan, which ACCA regards as satisfactory, setting out how Mr Burke intends to prevent a recurrence of the previous deficiencies and,
  - b attended a practical audit course, approved by ACCA and,

- c following the date of this decision, 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 Burke and his firm made under Regulation 7(2) may be published as soon as practicable, subject to any directions given by me.
  
- 4. I have considered the submissions, if any, made by Mr Burke 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 Mr Burke and his firm from that publicity.
  
- 5. I therefore direct pursuant to Authorisation Regulation 7(6)(a), that a news release be issued to ACCA's website referring to Mr Burke and his firm by name.

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David Sloggett FCCA  
Regulatory Assessor  
19 September 2023