

HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Mr Kim David Hardie

Heard on: Tuesday, 12 August 2025

Location: Held remotely by Microsoft Teams

Committee: Ms Valerie Paterson (Chair)
Mr Ryan Moore (Accountant)
Ms Jackie Alexander (Lay)

Legal Adviser: Ms Ini Udom

Persons present

and capacity: Mr Mazharul Mustafa – Case Presenter
Ms Anna Packowska – Hearings Officer

Summary: Exclusion from membership with immediate effect

Costs: £5,750

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PRELIMINARY APPLICATIONS

1. The Disciplinary Committee (“the Committee”) convened in public to hear the allegations against Mr Hardie.
2. The papers before the Committee (‘the documents’) comprised:
 - a. A Main Hearing Bundle (pp 1-92),
 - b. A Service Bundle (pp1-18).
3. Mr Hardie was not in attendance.
4. The Committee considered the submissions made and accepted the advice of the Legal Adviser.
5. The Committee considered whether the service of the Notice of Hearing (‘Notice’) had been properly effected. Mr Hardie was served with the Notice on 14 July 2025 by email, 28 days in advance of the hearing and it included all of the required information. The email address used was the email address registered with ACCA for Mr Hardie. The Notice included the details and information pertaining to this hearing and confirmed that it would be held remotely. The Committee’s power to proceed in the absence of Mr Hardie was also explained within the Notice.
6. No confirmation of attendance was received from Mr Hardie despite attempts to contact Mr Hardie both by email and telephone.
7. The Committee was satisfied that service had been properly effected.
8. ACCA applied to proceed in the absence of Mr Hardie. Again, the Committee carefully considered the submissions and accepted the advice of its Legal Adviser. In making this decision the Committee noted that its discretion had to be used with the utmost care and caution. It noted that no application had been

made by Mr Hardie for an adjournment and there was no indication that an adjournment would secure his attendance, particularly against the background of poor engagement and response. ACCA submitted that it had repeatedly attempted to contact Mr Hardie, by phone and email, to ascertain whether he intended to attend the hearing and had received no response.

9. The Committee was satisfied that Mr Hardie had voluntarily absented himself from proceedings and thereby waived his right to participate. The Committee noted that the allegations against Mr Hardie were serious. The Committee had regard to the public interest in concluding the case expeditiously, particularly in circumstances where the alleged conduct dated back to 2021.
10. The Committee agreed to ACCA's application to proceed in Mr Hardie's absence.

ALLEGATIONS AND BRIEF BACKGROUND

11. The allegations against Mr Hardie were as follows:
 1. *Contrary to paragraph 14(2) and or 14 (3) of the Global Practising Regulations (as applicable in 2021 and 2022), between 19 August 2021 and 26 April 2022, Mr Kim David Hardie failed to co-operate with ACCA in its monitoring and enforcement of compliance with these regulations in that he failed to provide the information requested to enable ACCA to:*
 - (i) *Confirm his firm's eligibility for registered auditor status;*
 - (ii) *Monitor his firm's compliance with the Chartered Certified Accountant Global Practising Regulations 2003 ("GPRs") and Monitor the standard of his firm's audit work.*

2. Contrary to Paragraph 3(1) of the Complaints and Disciplinary Regulations 2014 (as amended), Mr Kim David Hardie failed to co-operate fully with the investigation of a complaint in that he did not respond to any or all of ACCA's correspondence dated:

(i) 3 October 2022;

(ii) 25 October 2022;

(iii) 11 November 2022; and

(iv) 7 December 2022.

3. By reason of his conduct in respect of any or all the matters set out above, Mr Hardie is:

(i) Guilty of misconduct pursuant to bye-law 8(a)(i); or

(ii) Liable to disciplinary action pursuant to bye-law 8 (a)(iii).

12. Mr Hardie has been a Fellow of ACCA since 2 September 1998 and holds an ACCA practising certificate with audit qualification.

13. Mr Hardie was the sole practitioner of his firm, which holds a current Firm's Auditing Certificate.

14. On 19 August 2021, the ACCA Senior Compliance Officer ("SCO") called the Firm to arrange an audit monitoring review (the "Review"), the purpose of which was to confirm the Firm's eligibility for registered auditor status; monitor compliance with the Chartered Certified Accountants' Global Practising Regulations 2003 ('GPRs'); and to monitor the standard of the firm's audit work. No one answered the call.

15. On 8 September 2021, the SCO called the Firm again and left a message for Mr Hardie to return their call which he did. He informed the SCO that he would be on holiday for ten days from 9 September 2021. The SCO, therefore, agreed to conduct the review between 15 November 2021 and 17 November 2021.
16. On 27 September 2021, the SCO sent an email to Mr Hardie. The email confirmed the agreed dates of the Review, and requested Mr Hardie to complete and return the following questionnaires with supporting documentation by 8 November 2021:
 - Guidance and checklist for audit engagement partnership
 - Audit eligibility and compliance questionnaire
17. On 8 November 2021, Mr Hardie called the SCO to explain that [PRIVATE] and was trying to catch up with work. An extension of the deadline to 13 December 2021 for completing and returning the questionnaires was agreed with the SCO.
18. On 8 December 2021, Mr Hardie called the SCO to say that he had had computer issues and so would not be able to meet the extended deadline of 13 December 2021. A second extension of the deadline to 7 February 2022 was agreed.
19. On 3 February 2022, the SCO called Mr Hardie to check that the information they had required would be available for review in the following week. Mr Hardie told the SCO that [PRIVATE] over the Christmas period; and there had been a delay in signing off his second audit file. The SCO therefore agreed to a third, and final, extension of the deadline to 21 March 2022.

20. On 14 March 2022 and 16 March 2022, the SCO called and emailed Mr Hardie respectively with regard to the information requested as it had not been received.
21. On 16 March 2022, Mr Hardie informed the SCO by email that the second audit report had still not been signed off but would be signed the following week when he would then provide the SCO with the full files together with all the outstanding information.
22. On 24 March 2022, the SCO emailed Mr Hardie as the files had not been received. Mr Hardie did not respond.
23. On 12 April 2022, the SCO emailed Mr Hardie again to request an update with regard to the provision of the requested information. The email also informed Mr Hardie that the matter could be referred to the Professional Conduct Assessment Team for his non-cooperation with the monitoring process if the information remained outstanding.
24. By 26 April 2022, no response to the emails from the SCO or the information requested from Mr Hardie had been received by ACCA. The SCO referred the matter to the Professional Conduct Assessment Team.
25. On 3 October 2022, a Senior Investigations Officer ("SIO") wrote to Mr Hardie at his ACCA registered address and explained that a complaint had been referred to ACCA's Investigations Department and allocated to him to investigate in accordance with ACCA's Complaints and Disciplinary Regulations ('CDRs'). The SIO asked the following questions:

1. Do you accept that you failed to supply ACCA with all the information necessary to enable ACCA to complete its monitoring process efficiently?

2. Why did you fail to co-operate with ACCA's SCO?

3. *Please provide evidence to support explanations for the delays in the provision of information and for postponing the monitoring reviews e.g., evidence that [PRIVATE] during the relevant periods and/or on holiday.*
4. *Please ensure you regularise your position and provide all the information requested by the SCO by no later than 2 weeks from the date of this letter i.e., 17 October 2022.*

26. Mr Hardie was reminded of his duties pursuant to Regulation 3(1) of the CDRs. No response was received from Mr Hardie by the 17 October 2022 deadline.
27. On 25 October 2022, the SIO wrote again to Mr Hardie enclosing a copy of the letter of 3 October 2022 letter. Mr Hardie was requested to respond no later than 8 November 2022, which he failed to do.
28. On 11 November 2022, the SIO sent a second reminder to Mr Hardie informing him that an allegation under Regulation 3(1)(c) of the CDRs would be raised against him if he failed to provide the information requested by the SCO by 25 November 2022. Mr Hardie did not respond.
29. The SIO also called Mr Hardie on the phone number held on ACCA's database twice on 6 December 2022 but received no answer. There was no facility to leave a voice message.
30. On 7 December 2022, the SIO informed Mr Hardie that an allegation under Complaints and Disciplinary Regulation 3(1) for his failure to co-operate with an ACCA Investigation would be raised against him. No response was received.
31. On 4 April 2023, the SIO sent a copy of the draft Assessor Report to Mr Hardie and asked for his comments by 24 April 2023.

32. On 25 and 26 April 2023, Mr Hardie submitted some of the information which should have been provided for the review by 8 November 2021, including a timeline which set out his explanation in relation to the lack of response during the review and investigation stages and the following:

“....1. I accept that I regretfully failed to supply the ACCA with all of the information necessary to enable the ACCA to complete its monitoring process efficiently.

2. The reasons for non-compliance are outlined in the timeline attached, which included several weeks of aggravation in November/December 2021 as outlined in the CKR letter also re-attached, [PRIVATE] since the original expected 26/3/2022 submissions.....”.

33. On 17 May 2023, a Lead SCO confirmed that, having reviewed the additional information that Mr Hardie had provided, there was still outstanding information required to complete the review. To complete the review, the Lead SCO contacted Mr Hardie and requested that he provide two client audit files.
34. On 19 May 2023, Mr Hardie asked for clarification, to which the Lead SCO replied on 19 May 2023.
35. As the Lead SCO did not receive the audit files requested, they sent further emails on the following dates: 12 June 2023; 12 July 2023; 17 July 2023; 28 July 2023 and 7 August 2023. Mr Hardie did not respond to any of the emails and the review, therefore, remains incomplete.

DECISIONS ON ALLEGATIONS AND REASONS

36. The Committee considered all of the documents before it and the submissions of Mr Mustafa on behalf of ACCA. The Committee accepted the advice of the Legal Adviser. The Committee bore in mind that the burden of proving an

allegation rests on ACCA and the standard to be applied is proof on the balance of probabilities — in other words, the Committee asked itself whether the facts alleged by ACCA were ‘more likely than not’ to be true, based upon all the materials before it.

37. In relation to Allegations 1 and 2, the Committee had regard to all of the evidence before it and found these allegations proved. The conduct alleged was clearly evidenced by the documentary evidence available.

Allegation 1

38. ACCA had attempted to commence its review of the Firm on 27 September 2021. Thereafter, followed a long period in which ACCA tried to obtain information from Mr Hardie. This was a routine compliance check. The Committee paid close regard to the wording of the GPRs and determined that Mr Hardy was under a duty to co-operate and provide information as required.
39. The Committee accepted that the information requested was necessary to enable ACCA to monitor the Firm.
40. The Committee accepted that in the early stages of the review process reasonable explanations were given for delays on the part of Mr Hardie. This was, however, then followed by a period of silence from Mr Hardie, despite ACCA’s repeated attempts, using a variety of contact methods, to follow up on its enquiries and obtain information. The Committee noted that Mr Hardie was reminded of his duty to comply and warned of the consequences of any failure.
41. The Committee noted that whilst by April 2023 Mr Hardie had provided some of the information ACCA requested to enable it to carry out monitoring, he had failed to provide all of the information requested. The Committee was satisfied that as a result of his failure to fully co-operate; ACCA was not able to monitor and enforce the Firm’s compliance with Paragraphs 14 (2) and (3) of the GPRs.

42. The Committee noted that the two audit files, first requested in September 2021, have still not been provided. The Committee was satisfied that this material was crucial for any monitoring or review to be meaningful and effective. It noted that the review process remains uncompleted.
43. The Committee concluded that Mr Hardie had breached paragraphs 14 (2) and (3) of the GPRs and found Allegation 1 proved.

Allegation 2

44. The Committee then went on to consider Allegation 2 and, in doing so, carefully reviewed the correspondence between ACCA and Mr Hardie.
45. The Committee, in reviewing the correspondence sent to Mr Hardie noted that there were no responses to the emails sent by ACCA to Mr Hardie on 3 October 2022, 25 October 2022, 11 November 2022 or 7 December 2022 before it.
46. It was noted that Mr Hardie explained his lack of response by stating that he had “*not seen*” the emails sent on 3 October 2022, 25 October 2022, and 11 November 2022
47. The Committee was satisfied that Mr Hardie was fully aware that the monitoring review was incomplete. The emails had been sent to Mr Hardie’s registered address and the same address that he corresponded from when he did provide responses to ACCA. The Committee was satisfied that he should have had access to the email address used by ACCA and Mr Hardie was on notice that ACCA was engaged in correspondence with him. The Committee noted that as a Member, Mr Hardie has a duty to fully engage with his regulator and to co-operate with any investigation.
48. Four questions had been asked of Mr Hardie in the ACCA’s 3 October

correspondence. Whilst he had made some effort to address the first and second the third and fourth remain, to this day, outstanding. No evidence supporting his reasons for his delay has been presented despite it being specifically requested. The Firm's position has not been regularised and two audits remain outstanding.

49. The Committee carefully considered the wording of the CDRs. The Committee was not satisfied that Mr Hardie had fully co-operated with the investigation.
50. The Committee determined that Mr Hardie had failed to fully co-operate with the investigation. Allegation 2 was found proved.

Allegation 3

51. The Committee went on to consider whether the conduct found proved amounted to misconduct, as alleged in Allegation 3. It bore in mind that this was a matter of judgement for the Committee.
52. The Committee considered all of the documents before it, the submissions of Mr Mustafa on behalf of ACCA and Mr Hardie's written submissions, and the advice of the Legal Adviser, who referred the Committee to the relevant case law on the matter of misconduct. The Committee bore in mind that the question of misconduct was a matter of judgement for the Committee.
53. The Committee considered the important role of the audit review in ACCA's fulfilment of its obligation to monitor and uphold standards. It was satisfied that Mr Hardie's failure to co-operate with ACCA was a significant breach of the requirements of a member. The Committee determined that this initial breach was compounded by Mr Hardie's failure to co-operate with ACCA's investigation of a complaint. It was satisfied that the monitoring and enforcement of compliance and the investigation of complaints were essential to maintain the public's trust in the regulatory process and the profession. Mr Hardie had acted

to deliberately frustrate these processes, thereby undermining the function of the ACCA as his Regulator. The Committee was in no doubt that Mr Hardie's actions would be regarded as deplorable by fellow members of the profession and fell far short of the acceptable standards of the profession. The Committee was satisfied that the conduct, therefore, constituted misconduct under Bye-law 8(a)(i).

54. The Committee, accordingly, taking conduct individually and cumulatively, found Allegation 3 proved.
55. Having made this finding the Committee did not go on to consider Allegation 3 (ii).

SANCTION AND REASONS

56. The Committee heard submissions from Mr Mustafa on behalf of the ACCA. It accepted the advice of the Legal Adviser.
57. The Committee considered what sanction, if any, to impose taking into account ACCA's Guidance for Disciplinary Sanctions ('GDS') and the principle of proportionality. The Committee bore in mind that the purpose of sanctions was not punitive but to protect the public, maintain confidence in the profession and declare and uphold proper standards of conduct and behaviour.
58. The Committee had regard to Section F of the GDS and determined that the misconduct was very serious. It involved a failure to co-operate with a disciplinary investigation and a failure to co-operate with ACCA's monitoring process.
59. By way of mitigating factors, the Committee took into account that no previous disciplinary findings had been made against Mr Hardie. The Committee noted that Mr Hardie had been in practice for a significant period of time and a Fellow since 1998. The Committee also noted the [PRIVATE] that Mr Hardie described

experiencing during the relevant period.

60. The Committee had regard to the April 2023 correspondence in which Mr Hardie expressed an apology to ACCA, however the Committee was not satisfied that Mr Hardie had demonstrated any insight. It also noted that Mr Hardie had still not fully co-operated with the monitoring review or investigation. The Committee assessed that Mr Hardie had demonstrated no understanding as to the impact of his actions on the standing of the ACCA and the profession as a whole.
61. The Committee identified the following aggravating features:
 - a. This was deliberate misconduct
 - b. There was the potential for harm to be caused to ACCA, the profession and the wider public — his actions had the potential to undermine the integrity of the Regulatory framework
 - c. The misconduct took place over a prolonged period
 - d. Mr Hardie had displayed no insight
62. Having found the conduct alleged proved and amounting to misconduct, taking no further action was clearly not appropriate. The Committee, therefore, considered the available sanctions in ascending order of seriousness.
63. The Committee considered that the misconduct in this case was not of a minor nature and had been committed deliberately. In the circumstances, neither an admonishment nor a reprimand would be an appropriate sanction. There was no indication of insight or understanding on the part of Mr Hardie. These sanctions would not adequately mark the seriousness of the misconduct or satisfy the public interest. The gravity of the misconduct would not be reflected.
64. The Committee next considered a severe reprimand as the sanction in this

case. It noted that the misconduct was very serious in nature and it was deliberate. There had been inadequate co-operation over a prolonged period, no remediation or corrective steps had been completed. Mr Hardie had displayed no insight and there remained a high risk of repetition. Indeed, as stated above the monitoring review remains incomplete. The misconduct was not isolated. The potential harm was wide ranging and serious.

65. The Committee did not find that the mitigation available was sufficient to counterbalance the continuing risk. The Committee was satisfied that a severe reprimand would not be an appropriate and sufficient sanction.
66. The Committee proceeded to consider the sanction of exclusion from membership and determined that this was a proportionate and sufficient sanction in all of the circumstances.
67. Therefore, the Committee made an order under Regulation 13(1)(c) of the CDRs and ordered the exclusion of Mr Hardie from membership
68. On behalf of the ACCA, Mr Mustafa requested that the Committee consider whether the sanction should be of immediate effect and advocated that it should. The Committee accepted the advice of its Legal Adviser.
69. The Committee carefully considered the circumstances of the case. It concluded that immediate exclusion from membership was necessary for the protection of the public and the upholding and maintenance of standards. It noted that Mr Hardie presented an ongoing current risk to the public and the reputation of ACCA and the profession.

COSTS AND REASONS

70. ACCA applied for costs against Mr Hardie in the sum of £5,999. The application was supported by costs schedules, in simple and detailed form, providing a breakdown of the costs incurred by ACCA in connection with the hearing.

71. The Committee had regard to all the documentation and ACCA's 'Guidance for cost orders' and it accepted the advice of the Legal Adviser.
72. The Committee was satisfied that ACCA's application for costs to be paid by Mr Hardie was appropriately brought. It had regard to the important principle that in disciplinary proceedings the majority of ACCA's members should not subsidise the minority who find themselves within the disciplinary process.
73. The Committee reviewed ACCA's costs schedule and concluded that they were proportionate and reasonably incurred. It noted that the hearing had lasted less time than estimated and made a deduction to reflect that.
74. The Committee paid careful regard to the principle of proportionality but the Committee was not apprised of any information relating to Mr Hardie's financial means as he had not participated in the proceedings at all or provided the financial information requested of him in advance of the hearing.
75. The Committee noted that the Guidance for cost orders, at paragraphs 27 - 29, stipulates the following:

Before making any reduction as to costs, the Committee must have evidence of the relevant person's financial circumstances. Importantly, the relevant person must provide some documentary proof, ideally through a completed Statement of Financial Position and supporting documentation.

If a relevant person does not provide proof of financial means, the Committee is entitled to infer that the relevant person is able to meet the costs that it orders.

In the absence of evidence or proof, Committees should not speculate as to the relevant person's means.

76. The Committee having noted that Mr Hardie had provided no evidence of his

financial means, was not drawn into speculation but applied the inference that he was able to meet the costs order sought by ACCA.

77. In the circumstances the Committee awarded costs in the sum of £5,750.

Ms Valerie Paterson
Chair
12 August 2025