

The decision and reasons of the Regulatory Assessor for the case of Mr Christian Cloherty FCCA and Mrs Vanisha Cloherty and Nebula Accountants Limited referred to him by ACCA on 23 July 2025

Introduction

1. Nebula Accountants Limited is the incorporated practice of ACCA member, Mr Christian Cloherty FCCA and Mrs Vanisha Cloherty who is not audit qualified. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Cloherty'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 three audit quality monitoring visits;
 - b At the firm's first review held during May 2018, the compliance officer found that although the standard of audit work was satisfactory, there were some deficiencies in the audit evidence. The report on the review setting out the deficiencies found was sent to the firm during June 2018. The compliance officer warned the firm in the conclusion paragraph of the report that failure to maintain a consistent satisfactory standard of audit work may jeopardise the firm's continuing audit registration. The firm acknowledged receipt of the report during July 2018 and at its third attempt provided a suitable action plan during December 2018 outlining the remedial action that the firm was taking;
 - c At the firm's second monitoring review held during May 2023, the compliance officer found that the audit work was not of a consistent standard. Although the overall outcome of the review was satisfactory, on one of the two files inspected, the audit opinion was not adequately supported by the work performed and

recorded. The report on the review setting out the deficiencies found was sent to the firm during June 2023. The compliance officer again warned the firm in the conclusion paragraph of the report that failure to maintain a consistent satisfactory standard of audit work may jeopardise the firm's continuing audit registration. The firm acknowledged receipt of the report during August 2023 and provided an action plan describing the remedial action that the firm was taking;

- d At its third accelerated monitoring review, conducted between April 2025 and June 2025, the compliance officer found that the standard of the firm's audit work had deteriorated. Serious deficiencies were identified in the recorded work on both files inspected, particularly in key audit areas. As a result, the audit opinions issued on these files were not adequately supported by the audit work performed and documented. Additionally, there were weaknesses in the firm's systems of quality management;
- e The firm provided an action plan following the first and the second reviews: these action plans have not proven effective in the firm sustaining a consistent satisfactory standard of audit work;

The Decision

- 4. On the basis of the above I have decided pursuant to Authorisation Regulations 7(2)(f) and 7(3)(b) that Mr Cloherty should be required to:
 - i. Be subject to an accelerated monitoring visit before December 2026 at a cost to the firm of £1,500 and £650 (plus VAT at the prevailing rate) for each additional audit qualified principal; and
 - ii. Note that failure to make the necessary improvements in the level of compliance with auditing standards by that time will jeopardise his and his firm's continuing audit registration.

Publicity

5. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Cloherty and his 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 Cloherty 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 and/or the omission of the names of Mr Cloherty and his 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 Cloherty and his firm by name.

David Sloggett FCCA
Regulatory Assessor
05 October 2025