

**The decision and reasons of the Regulatory Assessor for the case of Mr Raymond Hamer FCCA and LBH Accountancy Services Limited referred to him by ACCA on 29 October 2024**

**Introduction**

1. LBH Accountancy Services Limited is the incorporated practice of ACCA member, Mr Raymond Hamer FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Hamer'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 and its principal have been the subject of four audit quality monitoring reviews;
  - b At the first review, undertaken in March 2010, the outcome of the visit was satisfactory;
  - c At the second visit, undertaken in March 2016, three files were reviewed. The compliance officer informed the firm of serious deficiencies in the audit work which had resulted in the audit opinion not being adequately supported by the work performed and recorded on one of the three files reviewed;
  - d At the third visit held over February and March 2021, the compliance officer found that the firm had not maintained effective procedures. On all three of the files inspected, there were deficiencies in the performance and recording of the audit work such that the audit opinions were not adequately supported. The firm had

made little attempt to comply with auditing standards and the audit work was generally very poor;

- e On 28 June 2021, following the third visit, the submitted action plan was rejected by ACCA as it had failed to identify the root cause of auditing deficiencies and how these were to be addressed. The firm has not supplied an updated action plan. The firm was referred to the Regulatory Assessor by the compliance officer on 19 August 2021;
- f On 1 November 2021, the Regulatory Assessors decision was to refer the case to the Admissions and Licensing Committee so that it could consider whether to exercise its powers under Authorisation Regulation 5(2) to withdraw Mr Hamer's and the firm's audit certificates;
- g On 14 July 2023, this matter was referred back to the Regulatory Assessor as ACCA no longer considers the referral to the Committee is appropriate. The Senior Compliance Officer that undertook the 2021 visit has left ACCA and therefore ACCA would not have appropriate representation at a Committee hearing. In addition, there have been issues as a result of miscommunication between ACCA and Mr Hamer which have resulted in extensive delays.
- h On 22 August 2023, the Regulatory Assessor ordered that Mr Hamer should be required to:
  - i Be the subject of an accelerated monitoring visit before March 2024 at a cost to the firm of £1,200 and £500 (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 and with the requirements of any regulators by that time will jeopardise his and his firm's continuing audit registration.
- i The firm's fourth monitoring visit was held on 16 and 17 April 2024. The compliance officers found that the firm had made little effective improvements to its procedures. On both files inspected there were serious deficiencies in compliance

with International Standards on Auditing (UK). As a result on the two files examined, the audit opinion was not adequately supported by the work performed and recorded.

- j The firm has subsequently relinquished its firm's auditing certificate and Mr Hamer has relinquished his practising certificate with audit qualification and been issued with a practicing certificate.

### **The decision**

- 4. I note that Mr Hamer 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(2)(f), 7(3)(b) and 7(4) that any future re-application for audit registration by Mr Hamer, 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 he has provided an action plan, including appropriate audit related CPD, which ACCA regards as satisfactory, setting out how Mr Hamer intends to prevent a recurrence of the previous deficiencies and,
  - b following the date of this decision, passed the advanced audit and assurance paper of ACCA's professional qualification.

### **Publicity**

- 5. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Hamer 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 Hamer 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 Hamer 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 Hamer and his firm by name.

**David Sloggett FCCA**  
**Regulatory Assessor**  
**30 December 2024**