

# Independent review of the Financial Reporting Council's Enforcement Procedures Sanctions

Review Panel call for  
submissions

May 2017



## 1. Introduction

The Financial Reporting Council (FRC) is the UK's independent regulator responsible for promoting high quality corporate governance and reporting to foster investment. The FRC sets the UK Corporate Governance and Stewardship Codes and UK standards for accounting and actuarial work; monitors and takes action to promote the quality of corporate reporting; and operates independent enforcement arrangements for accountants and actuaries. As the competent authority for audit in the UK the FRC sets auditing and ethical standards and monitors and enforces audit quality.

The FRC has appointed a panel (the Review Panel) to conduct an independent review of the sanctions imposed under its enforcement procedures: <https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/March/Independent-review-of-Financial-Reporting-Council.aspx>.

The first stage of the Review Panel's task is to invite and receive evidence and submissions in respect of the questions set out in section 5 below. The Review Panel will analyse the responses received, consider other relevant information, and produce a report setting out its findings and recommendations which will be provided to the FRC and published.

The Review Panel believes that the public nature of this consultation and the individual invitations to contribute should ensure that it receives material from a full range of viewpoints. But it would be interested to know of any person or body whom respondents think the Review Panel should contact for assistance in relation to the matters raised by this review. Please let the Review Panel have such information as soon as possible, rather than including it in whatever evidence or submissions are tendered, in order to enable the Review Panel, if it thinks appropriate, to contact those concerned, and to obtain their views in good time so as to not delay the publication of the report.

## 2. How and by when to respond

The deadline for responding to this call for submissions is **30 June 2017**. Responses can be provided in writing to the Review Panel's Secretary, Noranne Griffith c/o the FRC, 125 London Wall, London, EC2Y 5AS. Responses can also be provided by email to: [enforcementproceduresanctionsreview@frc.org.uk](mailto:enforcementproceduresanctionsreview@frc.org.uk)

## 3. Terms of reference for the review

### **Background**

*The FRC administers a number of enforcement procedures in accordance with its various responsibilities, including its statutory responsibilities. These include the Accountancy Scheme, the Actuarial Scheme, the Audit Enforcement Procedure (AEP), the Auditor Regulatory Sanctions Procedure (ARSP) and the Crown Dependencies Recognised Auditors Regulatory Sanctions Procedure (CD RARSP). Each of these procedures set out a range of sanctions available to the applicable decision maker and are supported by guidance issued by the FRC's Conduct Committee. The guidance sets out the reasons for imposing sanctions i.e. not to punish but to protect the public and wider public interest including through deterrence, the maintenance and promotion of confidence in the profession and the declaration and upholding of proper standards amongst members of the profession.*

## **Scope and Purpose**

*The review will consider with reference to Accountancy Scheme, the AEP and the Actuarial Scheme:*

- whether the reasons for imposing sanctions (articulated in the Sanctions Guidance under the Accountancy and Actuarial Schemes and the Sanctions Policy under the AEP) remain appropriate;*
- the fairness and the effectiveness of the range of sanctions available under the above enforcement procedures;*
- whether the financial penalty sanctions are adequate to deter and protect as articulated in the sanctions guidance or, having regard to fairness, should they be strengthened e.g. by the inclusion of a tariff in the guidance;*
- the appropriateness of the remainder of the supporting policy and guidance material.*

## **Review Panel**

*The review will be conducted by an independent panel chaired by former Court of Appeal Judge, Sir Christopher Clarke, and will comprise Peter Chambers and Andrew Long. Secretariat and administrative support will be provided by the FRC's Governance & Legal Team.*

## **Process and Timing**

*The review will involve consultation and evidence gathering. The Review Panel will issue a general call for evidence and seek specific evidence to inform its recommendations which the Review Panel aims to report to the Conduct Committee and the FRC Board by early Autumn 2017.*

## **4. The principal enforcement procedures and sanctions available under these procedures**

The FRC's longest established procedures are the Accountancy Scheme and Actuarial Scheme (the Schemes) which are contractual arrangements entered into by the professional bodies identified in the Schemes. The FRC Conduct Committee has issued Sanctions Guidance in support of the Schemes.

Much more recently, and to implement its responsibility as competent authority for audit enforcement as set out in the Statutory Auditors and Third Country Auditors Regulations 2016, the FRC has introduced its Audit Enforcement Procedure, which has only been in operation since 17 June 2016. A Sanctions Policy supports this procedure. To date, no sanctions have been imposed under this procedure.

The Schemes and the Audit Enforcement Procedure, and the supporting Sanctions Guidance and Sanctions Policy, can be found on the FRC's website at: <https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Procedures.aspx> and <https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Supporting-documents-policies-and-guidance.aspx>

A snapshot of the source of the FRC's jurisdiction in respect of the above procedures, their scope, and the list of sanctions that can be imposed under them, is provided at Appendix 1.

To assist respondents answer the questions in section 5, a schedule of sanctions imposed under the Schemes is attached at Appendix 3.

## **5. Questions on which evidence and submissions are invited**

These questions appear to the Review Panel to cover much of the field of the review. But they are neither prescriptive nor exhaustive. Respondents are, of course, free to limit their response to the matter(s) with which they are most concerned, and to address any issue within the scope of the review whether or not it is covered by any of the following questions.

### **Question 1**

Are the objectives set out in the Sanctions Guidance and Sanctions Policy satisfactory? If not, why not, and how could they be improved?

The objectives set out in paragraph 9 of the Sanctions Guidance for the Accountancy Scheme (which are the same in the Actuarial Scheme Sanctions Guidance) are set out in Appendix 2. The objectives of the Audit Enforcement Procedure specifically in relation to sanctions are encapsulated in paragraphs 11 and 12 of the Sanctions Policy (Audit Enforcement Procedure) which are, also, set out in Appendix 2.

### **Question 2**

Is the Sanctions Guidance/Sanctions Policy<sup>1</sup> satisfactory and fit for purpose in current circumstances?

Respondents are invited to state, for example, whether they think the Sanctions Guidance/Sanctions Policy are satisfactory and fit for purpose, and if not, why not, and how the Sanctions Guidance/Sanctions Policy should be improved. Respondents should state, for example, whether decision-makers should be provided with:

- (a) guidance, either of the current or some other type;
- (b) some form of tariff, possibly along the lines of the Guidance on Sanctions of the ICAEW;  
or
- (c) some form of guideline which divides regulatory offences into categories and prescribes a range of penalties having regard to the aggravating and mitigating features of the offence within the category.

### **Question 3**

In connection with the matters set out in relation to question 2 above, given the type and range of case with which the FRC is concerned, adoption of a tariff or detailed guidelines would be difficult. Therefore, if respondents think some form of tariff or guideline would be appropriate, the Review Panel would welcome any observations on the appropriate form and content they, or some other form of guidance, should take.

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<sup>1</sup> Despite its different title, the Sanctions Policy does provide guidance to decision-makers.

#### **Question 4**

In imposing sanctions should decision-makers seek to place any particular focus on entities rather than individuals or vice versa?

In answering this question respondents are invited to explain (if either of these is their view) whether they think entities are dealt with too harshly compared with individuals or individuals too lightly compared with entities.

#### **Question 5**

In relation to financial penalties should the FRC establish some starting point in respect of both individuals and entities?

If respondents think that the FRC should establish some starting point, they are invited to articulate;

- (a) how they consider that starting point should be measured for entities or individuals (e.g. by reference to specified monetary amounts, or a proportion of revenue, turnover, profit, audit fee, salary, income or something else);
- (b) how the starting point should be determined; and
- (c) what criterion/a should produce what starting point(s).

#### **Question 6**

To what extent do current sanctions meet regulatory objectives? If they do not, why is that?

#### **Question 7**

In relation to financial penalties are they being set at the right level?

In answer to this question, respondents are invited to state;

- (a) whether they think they are too low or too high, and
- (b) by what criterion or on what basis they are considered to be inadequate or excessive and to what extent that is so.

#### **Question 8**

If respondents think that financial penalties are too low is this because:

- (a) failures of the type covered by the procedures require greater censure than is currently given;
- (b) they are not commensurate with the revenue or profit earned by accountancy/audit firms or with the impact of the failures being sanctioned;
- (c) they are insufficient to incentivise either high quality audit work/compliance with rules, regulations and standards;
- (d) they do not promote public confidence; or

(e) some other reason?

#### **Question 9**

What are the key elements in achieving effective deterrence?

#### **Question 10**

Do current sanctions in fact promote or incentivise good behaviour and promote public confidence?

#### **Question 11**

Should there be greater use of non-financial sanctions such as:

- (a) the imposition of conditions on practice or exclusion either of the firm or the practitioner from practice in particular areas or requirement for further training; and/or
- (b) an order for some form of restitution?

#### **Question 12**

The Sanctions Guidance in support of both Schemes contains provision for a discount for admissions and/or settlement; see paragraphs 57 to 61 of the Accountancy Scheme Sanctions Guidance<sup>2</sup>, as does the Sanctions Policy; see paragraphs 73 to 77. Are these provisions:

- (a) operating satisfactorily; or
- (b) inappropriate, and, if so, why?

#### **Question 13**

Are there some sanctions which could usefully be imposed which are not currently available?

Sir Christopher Clarke  
Peter Chambers  
Andrew Long

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<sup>2</sup> At paragraphs 58 to 63 of the Actuarial Scheme Sanctions Guidance.

### Enforcement Procedures Sanctions Review

#### Snapshot of the FRC's three principal enforcement procedures

<b>FRC Procedure</b>	<b>Regulated persons</b>	<b>Scope/Limitation of actionable conduct</b>	<b>Basic decision process</b>	<b>Source of regulatory power/jurisdiction</b>	<b>Available sanctions</b>
<p>Accountancy Scheme and Accountancy Regulations.</p> <p>See also Conduct Committee ("CC") guidance documents including the Sanctions Guidance.</p> <p>The CC has oversight of the operation of the Accountancy Scheme.</p>	<p>Members / Member Firms of accountancy professional bodies participating in the Accountancy Scheme ("Participant(s)"<sup>1</sup>) other than <u>Members/Member Firms, since 17 June 2016, in relation to statutory audit work, subject to various transitional arrangements in the Statutory Auditors and Third Country Auditors Regulations 2016 ("SATCAR 2016") (see below).</u></p>	<p>Misconduct in public interest cases.</p> <p>In non-public interest cases any alleged wrongdoing / misconduct is investigated, heard and sanctioned by the relevant Participant themselves under their own rules, bye-laws and / or regulations.</p>	<p>1. CC decides whether paragraph 5(1) criteria are met and whether to investigate. Paragraph 5(1) criteria are:</p> <p><u>the matter raises or appears to raise important issues affecting the public interest in the UK; and</u></p> <p><u>there are reasonable grounds to suspect that there may have been Misconduct which means an act or omission or series of acts or omissions, by a Member or Member Firm in the course of his or its professional activities (including as a partner, member, director, consultant, agent, or employee in or of any organisation or as an individual), or otherwise, which falls significantly short of the standards reasonably to be expected of a Member or Member Firm or has brought, or is likely to bring, discredit to the Member or the Member Firm or to the accountancy profession,</u> (paragraph 2(1) of the Accountancy Scheme)<sup>2</sup></p> <p>or</p>	<p>The Accountancy Scheme is a voluntary contractual arrangement with the Participants which was originally underpinned by the statutory requirements (pursuant to Part 42 of and paragraphs 16 and 24(1) of Schedule 10 to the Companies Act 2006) for recognised supervisory bodies ("RSBs") to participate in arrangements for the independent investigation for disciplinary purposes of audit public interest cases.</p> <p>The contractual arrangement was extended to all the members of the accountancy professional bodies who are Participants by agreement with those bodies. The Accountancy Scheme operates independently of the Participants.</p> <p>Since the FRC became the competent authority on 17 June 2016, and introduced the Audit Enforcement Procedure, the Accountancy Scheme now <b>ONLY</b> applies in respect of non-statutory audit matters.</p>	<p><b>Members:</b></p> <p>Reprimand</p> <p>Severe Reprimand</p> <p>Condition</p> <p>Exclusion</p> <p>Fine</p> <p>Waiver / repayment of client fees</p> <p>Preclusion</p> <p><b>Member Firms:</b></p> <p>Reprimand</p> <p>Severe Reprimand</p> <p>Condition</p> <p>Fine</p> <p>Waiver / repayment of client fees</p> <p>Preclusion</p>

<sup>1</sup> The Participants are ACCA, CAI, CIMA, CIPFA, ICAEW, ICAS.

<sup>2</sup> See R(oao Baker Tilly UK Audit LLP & Ors) v FRC & Ors [2015] EWHC 1398 (Admin) in respect of the meaning of Misconduct.



<b>FRC Procedure</b>	<b>Regulated persons</b>	<b>Scope/Limitation of actionable conduct</b>	<b>Basic decision process</b>	<b>Source of regulatory power/jurisdiction</b>	<b>Available sanctions</b>
			<p><i>it appears that the Member or Member Firm has failed to comply with any of his or its obligations under paragraphs 14(1) or 14(2) [of the Accountancy Scheme].</i></p> <ol style="list-style-type: none"> <li>2. A matter may come to the CC's attention through a referral from a Participant or by 'calling in' a matter being investigated by a Participant or through some other means such as a press report / other regulator referral.</li> <li>3. The Executive Counsel investigates and decides whether to close the investigation, enter into settlement discussions or deliver a Formal Complaint.</li> <li>4. Independent tribunal hears the Formal Complaint and determines whether to reach an Adverse Finding and if so, whether to impose sanctions.</li> </ol>		
<p>Actuarial Scheme and Actuarial Regulations.</p> <p>See also CC guidance documents including the Actuarial Scheme and the Actuarial Scheme</p>	<p>Members of the Participants in the Actuarial Scheme - currently only the Institute and Faculty of Actuaries is a Participant.</p> <p><b>NOTE:</b> there are no Member Firms.</p>	<p>Misconduct in public interest cases.</p> <p>In non-public interest cases any alleged wrongdoing / misconduct is investigated, heard and sanctioned by the relevant Participant themselves.</p>	<ol style="list-style-type: none"> <li>1. CC decides whether paragraph 5(1) criteria met and whether to investigate. Paragraph 5(1) criteria are:   <u><i>the matter raises or appears to raise important issues affecting the public interest in the UK; and</i></u>  <u><i>there are reasonable grounds to suspect that there may have been Misconduct</i></u> which means an act or</li> </ol>	<p>The Actuarial Scheme is a voluntary contractual arrangement with the Participants. No statutory underpinning.</p> <p>The Actuarial Scheme operates independently of the Participants.</p>	<p>Reprimand</p> <p>Severe Reprimand</p> <p>Condition</p> <p>Exclusion</p> <p>Fine</p> <p>Waiver / repayment of client fees</p> <p>Preclusion</p>

<b>FRC Procedure</b>	<b>Regulated persons</b>	<b>Scope/Limitation of actionable conduct</b>	<b>Basic decision process</b>	<b>Source of regulatory power/jurisdiction</b>	<b>Available sanctions</b>
<p>Sanctions Guidance.</p> <p>The CC has oversight of the operation of the Actuarial Scheme.</p>			<p><i>omission or series of acts or omissions, by a Member in the course of his professional activities (including as a partner, member, director, consultant, agent, or employee in or of any organisation or as an individual) or otherwise, which falls significantly short of the standards reasonably to be expected of a Member or has brought, or is likely to bring, discredit to the Member or to the actuarial profession, (paragraph 2(1) of the Actuarial Scheme)</i></p> <p>or</p> <p><i>it appears that the Member has failed to comply with any of his obligations under paragraphs 14(1) or 14(2) [of the Actuarial Scheme].</i></p> <ol style="list-style-type: none"> <li>2. A matter may come to the CC's attention through a referral from a Participant or by 'calling in' a matter being investigated by a Participant or through some other means such as a press report / other regulator referral.</li> <li>3. The Executive Counsel investigates and decides whether to close, enter into settlement discussions or deliver a Formal Complaint.</li> <li>4. Independent tribunal hears the Formal Complaint and determines whether to reach an</li> </ol>		

<b>FRC Procedure</b>	<b>Regulated persons</b>	<b>Scope/Limitation of actionable conduct</b>	<b>Basic decision process</b>	<b>Source of regulatory power/jurisdiction</b>	<b>Available sanctions</b>
			Adverse Finding and if so, whether to impose sanctions.		
<p>Audit Enforcement Procedure (“AEP”).</p> <p>See also various CC guidance documents.</p>	Statutory Auditors and Statutory Audit Firms (defined in rule 1 of the AEP).	<p>Breach of Relevant Requirements<sup>3</sup> in PIE audits and Retained Matters.<sup>4</sup></p> <p>All other audit matters are delegated to the Delegate Bodies pursuant to SATCAR 2016 and Delegation Agreements with the Delegate Bodies.<sup>5</sup></p>	<ol style="list-style-type: none"> <li>1. Case Examiner decides whether to refer an Allegation, (defined in rule 1 of the AEP <i>as information about a Statutory Auditor or Statutory Audit Firm which raises a question as to whether they have breached a Relevant Requirement</i>) to the CC.</li> <li>2. Where an Allegation is referred, the CC decides whether there is “good reason” to investigate the Allegation (see CC guidance for non-exhaustive list in this regard) and refers the Allegation for investigation by the Executive Counsel. The CC also decides whether the investigation should be delegated to the appropriate RSB and whether the investigation shall be overseen by the FRC’s Case Management Committee.</li> <li>3. Allegation is investigated and Executive Counsel issues a Decision Notice if he considers that the Respondent is liable for</li> </ol>	Regulation (EU) No 537/2014 and Directive 2014/56/EU <sup>6</sup> (“Audit Regulation and Directive” / “ARD”) and SATCAR 2016 which designates the FRC as competent authority for audit in the UK.	<p>A notice to cease or abstain</p> <p>Publish a statement (which may take the form of a reprimand or severe reprimand) to the effect that the Respondent is required to cease or abstain</p> <p>Order the Respondent to take action to mitigate the effect or prevent the recurrence of the breach of Relevant Requirement</p> <p>Temporary prohibition of up to three years duration from carrying out Statutory Audits and / or signing audit reports</p>

<sup>3</sup> Defined in the AEP as having the meaning set out in regulation 5(11) of SATCAR 2016 or regulation 11(5)(b) of SATCAR 2016.

<sup>4</sup> ‘Retained Matters’ include: (investigations and enforcement in respect of) audits of Public Interest Entities (“PIEs”) as defined in regulation 2 of SATCAR 2016, AIM companies with an average three year market capitalisation in excess of €200m, Lloyds Syndicates and investigations which the FRC may reclaim from the RSBs from time to time (“Reclaimed Matters”). See SATCAR 2016, the Secretary of State Direction under regulation 3(12) of SATCAR 2016 of 17 June 2016 and the Delegation Agreements between the FRC and the RSBs.

<sup>5</sup> ACCA, CAI, ICAEW and ICAS.

<sup>6</sup> which amends EU Directive 2006/43/EC.

<b>FRC Procedure</b>	<b>Regulated persons</b>	<b>Scope/Limitation of actionable conduct</b>	<b>Basic decision process</b>	<b>Source of regulatory power/jurisdiction</b>	<b>Available sanctions</b>
			<p>Enforcement Action (<i>which means any steps taken pursuant to rules 17, 18, 24, 25, 27 and 54 of the AEP</i> (rule 1 AEP))</p> <p>4. If the Decision Notice is not accepted (i.e. no settlement) then the matter is referred to an Enforcement Committee.</p> <p>5. The Enforcement Committee issues a Decision Notice if it considers that the Respondent is liable for Enforcement Action.</p> <p>6. If the Decision Notice is not accepted then the matter is referred to an independent tribunal.</p>		<p>Permanent prohibition from carrying out Statutory Audits and / or signing audit reports</p> <p>Declaration that the Statutory Audit Report does not satisfy the Relevant Requirements</p> <p>Waiver / repayment of client fees</p> <p>Temporary prohibition order for up to three years from being a member of the management body of a firm that is eligible for appointment as a statutory auditor</p> <p>Temporary prohibition order for up to three years from acting as a director of or being otherwise concerned in the management of a PIE</p> <p>Financial penalty</p> <p>Conditions</p> <p>Exclusion</p>

## **Enforcement Procedures Sanctions Review**

### **Sanctions related objectives**

The objectives set out in paragraph 9 of the Sanctions Guidance for the Accountancy Scheme (which are set out in similar terms in the Actuarial Scheme Sanctions Guidance) are as follows:

- *to deter members of the accountancy profession from committing 'Misconduct';*
- *to protect the public from Members and Member Firms whose conduct has fallen significantly short of the standards reasonably to be expected of that Member or Member Firm;*
- *to maintain and promote public and market confidence in the accountancy profession and the quality of corporate reporting; and*
- *to declare and uphold proper standards of conduct amongst Members and Member Firms.*

*The primary purpose of imposing sanctions for acts of Misconduct is not to punish, but to protect the public and the wider public interest. Therefore a Tribunal's objective should be to impose the sanction or combination of sanctions necessary to achieve the objectives of the Scheme.*

The objectives of the Audit Enforcement Procedure in relation to sanctions are encapsulated in paragraphs 11 and 12 of the Sanctions Policy (Audit Enforcement Procedure) as follows:

11. *In determining the appropriate sanction, a Decision Maker should have regard to the reasons for imposing sanctions for a breach of the Relevant Requirements in the context of the Audit Enforcement Procedure. Sanctions are imposed to achieve a number of purposes, namely:*
  - a) *to deter Statutory Auditors and Statutory Audit Firms from breaching the Relevant Requirements relating to statutory audit;*
  - b) *to protect the public from Statutory Auditors and Statutory Audit Firms whose conduct has fallen short of the Relevant Requirements;*
  - c) *to maintain and promote public and market confidence in Statutory Auditors and Statutory Audit Firms and the quality of their audits;*
  - d) *to declare and uphold proper standards of conduct amongst Statutory Auditors and Statutory Audit Firms.*
12. *The primary purpose of imposing sanctions for breaches of the Relevant Requirements is not to punish but to protect the public and the wider public interest. Therefore, a Decision Maker's objective should be to impose the sanction or combination of sanctions necessary to achieve the objectives set out above.*

### Enforcement Procedures Sanctions Review

#### Schedule of AADB and FRC cases and sanctions from January 2009<sup>1</sup>

<i>Date</i>	<i>Member Firm/Member</i>	<i>Relevant entity (as applicable)</i>	<i>Sanctions</i>	<i>Link to case information</i>
January 2009	(1) McClure Watters Chartered Accountants  (2) Rollo McClure	Emerging Business Trust Ltd and Emerging Business Trust Venture Fund Limited	Fine of £6,000  Fine of £6,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2009/January/Emerging-Business-Trust-Outcome-of-Disciplinary-He.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2009/January/Emerging-Business-Trust-Outcome-of-Disciplinary-He.aspx</a>
March 2010	(1) Ian Storey	iSoft Group plc ("iSoft")	Exclusion for a recommended period of 8 years	<a href="https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Past-cases/iSoft-Group-plc-(1).aspx">https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Past-cases/iSoft-Group-plc-(1).aspx</a>
November 2011	(1) RSM Robson Rhodes LLP  (2) Glyn Williams	iSoft	Fine of £225,000  Fine of £15,000 Reprimand	<a href="https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Past-cases/iSoft-Group-plc-(1).aspx">https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Past-cases/iSoft-Group-plc-(1).aspx</a>
December 2011	(1) PricewaterhouseCoopers LLP ("PwC")	JP Morgan Securities Limited	Fine of £1.4million Severe Reprimand	<a href="https://www.frc.org.uk/Our-Work/Conduct/Professional-discipline/Tribunals/Tribunal-reports/JP-Morgan-Securities-Limited.aspx">https://www.frc.org.uk/Our-Work/Conduct/Professional-discipline/Tribunals/Tribunal-reports/JP-Morgan-Securities-Limited.aspx</a>

<sup>1</sup> This schedule shows cases in the public domain correct at the time of publication of the call for submissions. This schedule will be updated as and when necessary during the period of the call for submissions.

<b>Date</b>	<b>Member Firm/Member</b>	<b>Relevant entity (as applicable)</b>	<b>Sanctions</b>	<b>Link to case information</b>
March 2012	(1) Geoffrey Stuart Pearson	Langbar International Limited	Exclusion for a recommended period of 5 years	<a href="https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Langbar-International-Limited.aspx">https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Langbar-International-Limited.aspx</a>
August 2012	(1) Timothy Hunt	Worthington Nicholls Group plc ("WNG")	Exclusion for a recommended period of 6 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2012/November/Worthington-Nicholls-Group-PLC-Outcome-of-Discipli.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2012/November/Worthington-Nicholls-Group-PLC-Outcome-of-Discipli.aspx</a>
February 2013	(1) James Corr	Cattles plc ("Cattles") and Welcome Financial Services Limited (Welcome")	Exclusion for a recommended period of 8 years	<a href="https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Cattles-plc.aspx">https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Cattles-plc.aspx</a>
February 2013	(1) Peter Miller	Cattles and Welcome	Exclusion for a recommended period of 6 years	<a href="https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Cattles-plc.aspx">https://www.frc.org.uk/Our-Work/Enforcement/Enforcement/Tribunals/Tribunal-reports/Cattles-plc.aspx</a>
July 2013	(1) William Rollason	European Home Retail plc ("EHR") and Farepak Food and Gifts Limited ("Farepak")	Fine of £15,000 Severe Reprimand	<a href="https://www.frc.org.uk/Our-Work/Conduct/Professional-discipline/Past-cases/European-Home-Retail-Plc-and-Farepak-Food-Gifts-Lt.aspx">https://www.frc.org.uk/Our-Work/Conduct/Professional-discipline/Past-cases/European-Home-Retail-Plc-and-Farepak-Food-Gifts-Lt.aspx</a>
December 2013	(1) Ernst & Young LLP  (2) Alan Flitcroft	EHR and Farepak	Fine of £750,000 Reprimand  Fine of £50,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2013/December/Outcome-of-disciplinary-case-against-Ernst-Young-L.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2013/December/Outcome-of-disciplinary-case-against-Ernst-Young-L.aspx</a>

<b>Date</b>	<b>Member Firm/Member</b>	<b>Relevant entity (as applicable)</b>	<b>Sanctions</b>	<b>Link to case information</b>
July 2014	(1) Christopher Willford	Bradford & Bingley plc	Fine of £13,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/July/Outcome-of-disciplinary-case-against-Christopher-W.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/July/Outcome-of-disciplinary-case-against-Christopher-W.aspx</a>
July 2014	(1) Mazars LLP  (2) Richard Karmel	First Quench Pension Fund	Fine of £750,000 Severe Reprimand  Fine of £50,000 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcome-of-disciplinary-case-against-Mazars-LLP-M.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcome-of-disciplinary-case-against-Mazars-LLP-M.aspx</a>
April 2014	(1) Sixonethreeone Limited (formerly known as HWCA Limited)	WNG	Fine of £225,000 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcomes-of-the-disciplinary-hearing-against-Paul.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcomes-of-the-disciplinary-hearing-against-Paul.aspx</a>
September 2014	(1) Paul Newsham	WNG	Exclusion for a recommended period of 3 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcomes-of-the-disciplinary-hearing-against-Paul.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2014/September/Outcomes-of-the-disciplinary-hearing-against-Paul.aspx</a>
January 2015	(1) KPMG LLP  (2) James Marsh		Fine of £227,500 Reprimand  Fine of £39,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/February/Outcome-of-disciplinary-case-against-KPMG-LLP,-a-M.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/February/Outcome-of-disciplinary-case-against-KPMG-LLP,-a-M.aspx</a>
January 2015	(1) KPMG Audit plc  (2) Gregory Watts		Fine of £162,500 Reprimand  Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/February/Outcome-of-disciplinary-case-against-KPMG-Audit-Pl.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/February/Outcome-of-disciplinary-case-against-KPMG-Audit-Pl.aspx</a>
March 2015	(1) Deloitte & Touche	MG Rover Group Limited	Fine of £3million Severe Reprimand	



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	(2) Maghsoud Einollahi		Fine of £175,000 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/April/%E2%80%8BMG-Rover-Group,-Deloitte-Touche-and-Mr-Maghsoud.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/April/%E2%80%8BMG-Rover-Group,-Deloitte-Touche-and-Mr-Maghsoud.aspx</a>
June 2015	(1) Hugh Bevan	Aero Inventory plc ("Aero")	Exclusion for a recommended period of 3 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mr-Hugh-Beva.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mr-Hugh-Beva.aspx</a>
June 2015	(1) Christopher Gee	Manchester Building Society ("MBS")	Fine of £25,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mr-Christoph.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mr-Christoph.aspx</a>
July 2015	(1) Mark Woodbridge	Torex Retail plc	Exclusion for a recommended period of 10 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mark-Woodbrid.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Mark-Woodbrid.aspx</a>
July 2015	(1) Diane Jarvis	Healthcare Locums plc	Exclusion for a recommended period of 10 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Ms-Diane-Jar.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/July/Outcome-of-disciplinary-case-against-Ms-Diane-Jar.aspx</a>
July 2015	(1) Grant Thornton UK LLP  (2) Alastair Nuttall  (3) Marcus Swales	MBS	Fine of £975,000 Severe Reprimand  Fine of £39,000 Reprimand  Fine of £45,500 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/June/Outcome-of-disciplinary-case-against-Grant-Thornto.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/June/Outcome-of-disciplinary-case-against-Grant-Thornto.aspx</a>
October 2015	(1) Philip Black	Presbyterian Mutual Society ("PMS")	Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/November/Outcome-of-disciplinary-case-against-Philip-Black.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/November/Outcome-of-disciplinary-case-against-Philip-Black.aspx</a>

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December 2015	(1) Timothy Whiston  (2) John Whelan	iSoft	Exclusion for a recommended period of 8 years  Exclusion for a recommended period of 8 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/December/Outcome-of-disciplinary-case-against-Timothy-Whist.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2015/December/Outcome-of-disciplinary-case-against-Timothy-Whist.aspx</a>
January 2016	(1) Moore Stephens (NI) LLP  (2) David McClean	PMS	Fine of £140,000 Reprimand  Fine of £20,000 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/February/Outcome-of-disciplinary-case-in-connection-with-Pr.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/February/Outcome-of-disciplinary-case-in-connection-with-Pr.aspx</a>
July 2016	(1) Stephen Hill  (2) David Wells	Connaught plc ("Connaught")	Exclusion for a recommended period of 5 years  Exclusion for a recommended period of 3 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/July/Outcome-of-disciplinary-case-against-Stephen-Hill.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/July/Outcome-of-disciplinary-case-against-Stephen-Hill.aspx</a>
August 2016	(1) PwC  (2) Simon Bradburn	Cattles and Welcome	Fine of £2.3million Severe Reprimand  Fine of £75,600 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/August/Disciplinary-case-relating-to-PwC%E2%80%99s-audits-of-Catt.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/August/Disciplinary-case-relating-to-PwC%E2%80%99s-audits-of-Catt.aspx</a>
September 2016	(1) Barry Tootell	Co-operative Bank plc	Exclusion for a recommended period of 6 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/October/Former-CEO-of-Co-operative-Bank-plc-admits-Miscond.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/October/Former-CEO-of-Co-operative-Bank-plc-admits-Miscond.aspx</a>

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October 2016	(1) Andrew Raynor	RSM Tenon Group plc	Fine of £26,500 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/December/Formal-Complaint-and-admission-of-Misconduct-relat.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/December/Formal-Complaint-and-admission-of-Misconduct-relat.aspx</a>
October 2016	(1) Deloitte LLP  (2) John Clennett	Aero	Fine of £4million Severe Reprimand  Fine of £150,000 Severe Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/November/Deloitte-LLP-and-John-Clennett-fined-for-Misconduct.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2016/November/Deloitte-LLP-and-John-Clennett-fined-for-Misconduct.aspx</a>
January 2017	(1) Rory O'Connor	RSA Insurance Ireland Limited ("RSAIL")	Fine of £35,000 Exclusion for a recommended period of 3 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx</a>
January 2017	(1) Martin Ryan	RSAIL	Fine of £101,500 An Order that Mr Ryan be ineligible for 3 years for a practising certificate issued by the IFoA A Condition that Mr Ryan shall not, for 3 years, act as a Signing Actuary or undertake certain roles in The Republic of Ireland (including Pre-Approval Controlled Functions and certain Controlled Functions)	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx</a>
January 2017	(1) Gerard Bradley	RSAIL	Fine of £45,500 Reprimand	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/February/Sanctions-against-former-Chief-Financial-Officer-a.aspx</a>
March 2017	(1) Grant Thornton UK LLP	AssetCo plc	Fine of £2,275,000 Severe Reprimand	

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	(2) Robert Napper		Fine of £130,000 Exclusion for a recommended period of 3 years	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/April/Grant-Thornton-UK-LLP-and-Robert-Napper-sanctioned.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/April/Grant-Thornton-UK-LLP-and-Robert-Napper-sanctioned.aspx</a>
April 2017	(1) PwC  (2) Stephen Harrison	Connaught	Severe Reprimand Fine of £5million  Severe Reprimand Fine of £150,000	<a href="https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/May/PwC-LLP-and-Stephen-Harrison-fined-for-Misconduct.aspx">https://www.frc.org.uk/News-and-Events/FRC-Press/Press/2017/May/PwC-LLP-and-Stephen-Harrison-fined-for-Misconduct.aspx</a>



