

JONATHAN MARK SKILTON (AUD138)

**NOTICE OF AN ORDER OF THE DISCIPLINARY TRIBUNAL OF
THE NEW ZEALAND INSTITUTE OF CHARTERED ACCOUNTANTS**

Jonathan Mark Skilton ("the Member") appeared before the Disciplinary Tribunal of the New Zealand Institute of Chartered Accountants ("NZICA") on 22 June 2023 in relation to a complaint by NZICA arising following an investigation it conducted pursuant to its powers under s 75 of the Auditor Regulation Act 2011 and Rule 12 of NZICA's Rules.

The complaint arose from the Member's role as engagement partner in the audits of Fonterra Co-operative Group Limited ("Fonterra") for the years ending 31 July 2017 to 31 July 2019. The Member pleaded guilty to a charge of breaching NZICA's Code of Ethics. He admitted the underpinning particulars which concerned documentation of potential threats to independence in appearance; audit work performed in respect of impairment and related financial disclosures; and obtaining compliant written representations from those charged with Fonterra's governance. His conduct in respect of the particulars breached the Fundamental Principle of Professional Competence and Due Care and/or Section 130 of the Code of Ethics (2017) and/or PES 1 (Revised) and applicable Auditing and Assurance Standards. The Disciplinary Tribunal found the charges proven and the particulars made out.

In its decision dated 21 August 2023, the Disciplinary Tribunal made the following orders pursuant to the Rules of NZICA:

- (a) That the Member be censured under Rule 13.51(m);
- (b) The Member pay costs to NZICA in the sum of \$113,819 pursuant to Rule 13.53 in respect of the costs and expenses of the hearing before the Disciplinary Tribunal, investigation by the Professional Conduct Committee, and cost of publication; and
- (c) Pursuant to Rule 13.55 the Disciplinary Tribunal's decision be published on NZICA's website and in its official publication *Acuity* with mention of the Member's name and location. The Tribunal ordered that the evidence and submissions it received in connection with the charges be suppressed pursuant to Rule 13.78.

A full copy of the Disciplinary Tribunal's decision can be downloaded from the decisions register on Chartered Accountants Australia and New Zealand's website:

<https://www.charteredaccountantsanz.com/about-us/complaints/decisions-register>

