

**The decision and reasons of the Regulatory Assessor for the case of Mr F L Fitzpatrick FCCA and Fergus Fitzpatrick & Co referred to him by ACCA on 8 February 2019**

**Introduction**

1. Fergus Fitzpatrick & Co was the sole practice of ACCA member, Mr F L Fitzpatrick. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Fitzpatrick'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 since the monitoring visit. I note that Mr Fitzpatrick has relinquished his practising certificate and his firm's auditing certificate.
3. In reaching my decision, I have made the following findings of fact:-
  - a the firm has had seven monitoring visits. The first two in December 1993 and May 1999 were unsatisfactory but at the third visit in November 2001 the firm had made improvements to its procedures which resulted in a satisfactory outcome. However, at the fourth visit in January 2006 the firm's audit work had deteriorated and on four of the five files examined the audit opinion was not adequately supported by the work performed and recorded. As a result the findings of the visit were reported to the Admissions and Licensing Committee. At the fifth, Committee ordered visit, in May 2008, the firm had made improvements to its procedures resulting in a satisfactory outcome and with the firm being released from the terms of the Committee order. The firm had maintained the satisfactory standard of its audit work at the sixth visit carried out in May 2012;
  - b at the seventh and most recent visit in April 2018 it was found that the firm had not maintained the improvements to its audit procedures found at the two

previous visits. On the two files inspected the firm had not obtained sufficient audit evidence in key areas to support the audit opinion;

- c the firm relinquished its auditing certificate and Mr Fitzpatrick relinquished his practising certificate with audit qualification and has effectively retired;
- d I have had regard to the Guidance Notes for Regulatory Orders in Regulatory Proceedings after 4<sup>th</sup> March 2013 in reaching my decision.

### **The decision**

- 4. On the basis of the above I have decided pursuant to Authorisation Regulation 7(4) that any future re-application for a practising certificate with audit qualification by Mr Fitzpatrick, or an application for audit registration 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 he has attended a practical audit course, approved by ACCA and, following the date of this decision, passed paper P7, Advanced Audit and Assurance, of ACCA's professional examinations.

### **Publicity**

- 5. Authorisation Regulation 7(6)(b)(i) indicates that, save where the circumstances in regulation 7(6)(b)(ii) exist, in the event that the holder relinquishes their certificate before a decision is made, details of that fact shall be published
- 6. I have considered the submissions, if any, made regarding publicity of any decision I may make pursuant to Authorisation Regulation 7(4). I do not find that there are exceptional circumstances in this case that would justify non-publication of my decision to impose conditions on any future reapplication for an audit certificate and/or the omission of the names of Mr Fitzpatrick and his firm from that publicity.

7. I therefore direct pursuant to Authorisation Regulation 7(6)(b)(i), that a news release be issued to ACCA's website referring to Mr Fitzpatrick and his firm by name.

**Regulatory Assessor**  
**19 February 2019**