

The decision and reasons of the Regulatory Assessor for the case of Mr Stanley Francis-Joseph FCCA and Anthony Joseph & Co Limited referred to him by ACCA on 19 May 2020

Introduction

1. Anthony Joseph & Co Limited is the incorporated sole practice of ACCA member, Mr Stanley Francis-Joseph FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Francis-Joseph'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 Mr Francis-Joseph has had three monitoring visits.
 - b At the first visit in April 2009, Mr Francis-Joseph was a partner in another firm. The compliance officer informed Mr Francis-Joseph of serious deficiencies in audit work on the two files inspected for which he was responsible. The deficiencies had resulted in the audit opinions not being adequately supported by the work performed and recorded.
 - c At the second visit in October 2013, Mr Francis-Joseph had set up his own firm, Anthony Joseph & Co Limited. The compliance officer found that the practitioner's audit work had improved, and the overall outcome of the visit was satisfactory. Some deficiencies remained and these were included in the report sent to the firm. The firm produced a detailed plan describing the action that the firm was taking to address these deficiencies.
 - d At the third visit held during October 2019 the compliance officer found that the firm did not have effective audit procedures in place. The firm was using a standard audit programme on all audits, but it was not tailoring this to ensure that it met the needs of the audit of each client. There were significant deficiencies on two of the three files inspected such that the audit opinions were not adequately supported by the work performed and recorded.

- e At the third visit held during October 2019 the compliance officer found that the firm had shortfalls in its compliance with ISQC1.
- f Following the third visit, the firm has produced a detailed action plan describing the action that will be taken to address the identified deficiencies. This was accepted by the ACCA compliance officer in December 2019.

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 Francis-Joseph should be required to:
 - i. Supply the ACCA compliance officer with his CPD records for 2019 and 2020 (year to date)
 - ii. Supply the ACCA compliance officer with evidence of any hot or cold file reviews undertaken since the last monitoring visit.
 - iii. be subject to an accelerated monitoring visit before April 2021 at a cost to the firm of £1,200 and £500 (plus VAT at the prevailing rate); and
 - iv. 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.

Publicity

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

Regulatory Assessor
10 July 2020