

The decision and reasons of the Regulatory Assessor for the case of Mr Morlai Kargbo FCCA and Moracle Limited referred to him by ACCA on 4 February 2021.

Introduction

1. Moracle Limited is the *incorporated* sole practice of ACCA member, Mr Morlai Kargbo FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Kargbo'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 Kargbo has had three monitoring visits
 - b At the first visit in March 2013 on the files inspected, the firm had serious deficiencies in audit work which had resulted in audit opinions not being adequately supported by the work performed and recorded.
 - c At the second visit in April 2015 on the files inspected, the audit work was not of a consistent standard. However, the overall outcome of the visit was satisfactory.
 - d At the third visit held in April 2019, on the files inspected the compliance officer found that the firm had not maintained the improvements to its audit procedures and the standard of the firm's audit work had deteriorated. The files did not show that the firm had obtained sufficient audit evidence in key audit areas to support the audit opinion.
 - e At the third visit held in April 2019, the compliance officer found that the firm had shortfalls in its compliance with the requirements of 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 June 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 Kargbo should be required to:
 - i. be subject to an accelerated monitoring visit before July 2021 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 Moracle Limited's continuing audit registration.

Publicity

4. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Kargbo and Moracle Limited made under Regulation 7(2) may be published as soon as practicable, subject to any directions given by me.
5. I have considered the submissions, if any, made by Mr Kargbo 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 Kargbo and Moracle Limited from that publicity.
6. I therefore direct pursuant to Authorisation Regulation 7(6)(a), that a news release be issued to ACCA's website referring to Mr Kargbo and Moracle Limited by name.

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Regulatory Assessor
24 February 2021