

The decision and reasons of the Regulatory Assessor for the case of Mr Andrew A Sobitan FCCA and M (name) FCCA and Andrew & Co referred to him by ACCA on 2 March 2021

Introduction

1. Andrew & co is the sole practice of ACCA member, Mr Andrew A Sobitan.
I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Sobitan's and 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 The firm has had six audit monitoring visits.
 - b The first visit was in August 1999 and the standard of audit work was satisfactory.
 - c The second visit which was in June 2005 concluded that the standard of audit work undertaken and recorded had deteriorated. the firm was warned that failure to improve its audit procedures may jeopardise its continuing audit registration.
 - d The third visit held in April 2009 showed an improvement in the quality of the audit work.
 - e At the fourth visit held in October 2011, the conclusion was that the standard of audit work undertaken and recorded had deteriorated again and the firm was reported to the Regulatory Assessor. In February 2012, the Regulatory Assessor imposed conditions on the firm including an accelerated monitoring visit.
 - f The fifth visit occurred in April 2016. The outcome was that the quality of the audit work had improved.
 - g The sixth visit occurred during July 2019. The conclusion was that the procedures were not adequate to ensure that the firm conducts its audits in accordance with the International Standards on Auditing (UK) (ISAs).
 - h The firm has subsequently relinquished its firm's auditing certificate and Mr Sobitan has relinquished his practising certificate with audit qualification and been issued with a general practicing certificate.

The decision

4. I note that Mr Sobitan has relinquished his practising certificate with audit qualification and his firm's auditing certificate. On the basis of the above I have decided pursuant to Authorisation Regulations 7(3)(b) and 7(4) that any future re-application for audit registration by Mr Sobitan or 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 provided an action plan, which ACCA regards as satisfactory, setting out how Mr Sobitan intends to prevent a recurrence of the previous deficiencies and attended a practical audit course, approved by ACCA and, following the date of this decision, passed paper P7 (or the equivalent advanced level audit paper) of ACCA's professional qualification.

Publicity

4. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Sobitan and his firm 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 Sobitan 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 and/or the omission of the names of Mr Sobitan and his firm 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 Sobitan and his firm by name.

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Regulatory Assessor
23 Mar 2021