

The decision and reasons of the Regulatory Assessor for the case of Mr Benjamin Cox FCCA and Cox & Co Ltd referred to them by ACCA on 29 July 2021.

Introduction

1. Cox & Co Ltd is the incorporated sole practice of ACCA member, Mr Benjamin Cox FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Cox'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:
 - i. Mr Cox has had four auditing standards monitoring reviews in three different audit firms;
 - ii. The first review occurred in October 2008 and was satisfactory;
 - iii. The second review occurred in January 2015 and the Compliance Officer informed the practitioner of serious deficiencies in audit work which had resulted in audit opinions not being adequately supported by the work performed and recorded;
 - iv. At the third review which occurred in February 2017, the Compliance Officer found that the firm had improved its audit procedures and the audit opinion was supported by the work performed and recorded on the files inspected. Some deficiencies were found which were reported to the firm which responded to the report and provided an action plan in April 2017;
 - v. The fourth review occurred in April 2021. The Compliance Officer found that the firm's procedures had deteriorated and were not adequate to ensure it conducts all audits in accordance with the International Standards on Auditing. As a result, on all the files examined, the audit opinion was not adequately supported by the work performed and recorded;

- vi. In August 2021, Mr Cox submitted an action plan to ACCA to overcome the previous deficiencies that were evident in the audit work on the files reviewed at the visit.

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 Cox should:
 - i. Be subject to an accelerated monitoring visit before December 2022 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 his firm's continuing audit registration.

Publicity

5. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Cox 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 Cox 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 Cox 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 Cox and his firm by name.

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Regulatory Assessor
01 February 2022