

**The decision and reasons of the Regulatory Assessor for the case of Mr Albert Turner FCCA and Mr Steven Potter FCCA and Versa Accountants Ltd referred to him by ACCA on 09 November 2021.**

**Introduction**

1. Versa Accountants Ltd is the incorporated practice of ACCA members, Mr Albert Turner FCCA, Steven Potter FCCA and others. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Turner's and Mr Potter's conduct of audit work.

**Basis and reasons for the decision**

2. I have considered all the evidence in the booklet sent to me, including related correspondence submitted by the firm since the monitoring visit.
3. In reaching my decision, I have made the following findings of fact:
  - a. Versa Accountants Ltd was formed in 2013 and was granted registered auditor status in February 2019.
  - b. Mr Turner has had three audit quality monitoring visits (two at his previous firm). Two have had unsatisfactory outcomes. Mr Turner provided an action plan following his second review. This action plan did not prove effective in the firm reaching and sustaining a satisfactory standard of audit work.
  - c. Mr Potter has had two audit quality monitoring visits (one at his previous firm). Both have had unsatisfactory outcomes. At the first visit in 2012, Mr Potter was a director in the firm visited and was responsible for the majority of the files on the failed visit. That firm was then referred to the Regulatory Assessor who imposed a "Hot File Review" order.
  - d. At the most recent audit quality monitoring review (carried out in July 2021) there was no improvement to the standard of audit work and the recording of audit work had deteriorated. The firm has failed to achieve a satisfactory outcome at this review and had not taken on board the advice and warnings given at their previous visits.

- e Messrs Turner and Potter have relinquished their practising certificates with audit qualification and their firms' auditing certificates.
- f Based on previous visit outcomes, there would be serious concerns about Mr Turner's and Mr Potter's ability and willingness to maintain a satisfactory standard of audit work.
- g The firm's legal representation have asked on behalf of the firm that as the Regulatory Assessor, I refrain from giving permission for the facts or reasons of this case being published. Their claim is that the circumstances of the case outweigh the public interest.

### **The decision**

- 4. I note that Mr Turner and Mr Potter have relinquished their practising certificates with audit qualification and the 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 Turner and Mr Potter, or by a firm in which either of them is a principal, must be referred to the Admissions and Licensing Committee, which will not consider the application until they have:
  - i) provided an action plan, which ACCA regards as satisfactory, setting out how they intend to prevent a recurrence of the previous deficiencies and;
  - ii) attended a practical audit course, approved by ACCA and;
  - iii) following the date of this decision resat and passed paper P7 (or the equivalent advanced level audit paper) of ACCA's professional qualification.

### **Publicity**

- 5. Authorisation Regulation 7(6) indicates that all conditions relating to the certificates of Mr Turner and Mr Potter and their 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, as detailed in 3g above, regarding publicity of any decision I may make pursuant to Authorisation Regulation 7(2). The ACCA has powers devolved from the Financial Reporting Council as a recognised supervisory body to

regulate the members of the Association who have been granted an audit practicing certificate. It is in the public interest that the Association is seen to be carrying out these duties and, 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 Turner and Mr Potter and their 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 Turner and Mr Potter and their firm by name.

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David Sloggett FCCA  
Regulatory Assessor  
8 March 2022