

**The decision and reasons of the Regulatory Assessor for the case of Mr Phong Thanh Huynh FCCA and HT Accountants and Co LLP referred to him by ACCA on 31 October 2022**

**Introduction**

1. HT Accountants & Co LLP is the Limited Liability Partnership of ACCA member, Mr Phong Thanh Huynh. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Huynh'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.
3. In reaching my decision, I have made the following findings of fact:
  - a The firm has had three audit quality monitoring reviews;
  - b At its first review in May 2014, the Compliance Officer informed the firm of serious deficiencies on its only audit client which had resulted in the audit opinion not being adequately supported by the work performed and recorded. The report on the review set out these deficiencies and was sent to the firm in July 2015. The firm acknowledged receipt of the report in an email during September 2015 and took two attempts to provide an action plan detailing the action that it intended to take in order to rectify the deficiencies found;
  - c At its second review in March 2017, the firm held the same audit appointment that it held at the previous monitoring review. The Compliance Officer found that the firm had made improvements in the performance and recording of its audit work, although some deficiencies remained. The outcome of that review was satisfactory. The report on the review setting out the deficiencies found was sent to the firm in March 2017. The firm took two attempts to provide an action plan and detailed the action that it intended to take in order to address the remaining deficiencies found. The Compliance Officer warned the firm that failure to maintain a satisfactory standard of audit work may jeopardise the firm's continuing audit registration;

- d At the third review which was carried out remotely and was completed in June 2021, the Compliance Officer found that the firm had not maintained adequate audit procedures. On the three files inspected there were serious deficiencies in the work recorded in the key areas resulting in the audit opinions not being adequately supported. As a result, on the files examined, the audit opinion was not adequately supported by the work performed and recorded;
- e The firm has failed to achieve a satisfactory outcome at a third review in spite of the advice and warning given at the previous reviews.
- f There are serious concerns about Mr Huynh's ability and willingness to maintain a satisfactory standard of audit work despite the advice and warnings given at the previous reviews
- g The firm has subsequently relinquished its firm's auditing certificate and Mr Phong Thanh Huynh has relinquished his practising certificate with audit qualification and been issued with a practicing certificate;

#### **The decision**

4. I note that Mr Huynh 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 Huynh, 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 Huynh 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**

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

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David Sloggett FCCA  
Regulatory Assessor  
09 November 2022