

The decision and reasons of the Regulatory Assessor for the case of Mr Simon D Sturman FCCA and Simply Accounts & Tax Limited referred to him by ACCA on 09 February 2023

Introduction

1. Simply Accounts & Tax Limited is the incorporated practice of ACCA member, Mr S D Sturman FCCA. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Sturman'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 three audit quality monitoring visits;
 - b At the first visit held in November 2014, the Compliance Officer informed the firm of serious deficiencies in audit work which had resulted in audit opinions on the two files inspected not being adequately supported by the work performed and recorded;
 - c At the second visit held in November 2016, the Compliance Officer found that the firm had improved the standard of its audit work and all three audit files were found to be of a satisfactory standard. Some deficiencies were found which were reported to the firm in December 2016. The firm provided an action plan in May 2017 detailing the action that it intended to take in order to rectify the deficiencies found;
 - d At the third visit held in October 2022, the Compliance Officer found that the firm's audit work had deteriorated. The firm had failed to implement the action plan it had committed to in response to the findings of the previous monitoring reviews and its procedures were not adequate to ensure that it conducts all audits in accordance with the International Standards on Auditing (UK) (ISAs). The firm

was using a standard audit programme, but it was not tailoring this to ensure that it met the needs of the audit client. As a result, on the file examined the audit opinion was not adequately supported by the work performed and recorded;

- e The firm has decided not to renew its firm's auditing certificate and Mr Sturman's practising certificate with audit qualification for 2023;

The decision

4. I note that Mr Sturman has not renewed 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 Sturman, 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 Sturman 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 Sturman 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 Sturman 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 Sturman 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 Sturman and *his* firm by name.

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David Sloggett FCCA
Regulatory Assessor
20 April 2023