

**The decision and reasons of the Regulatory Assessor for the case of Mr Polycarpus Spyrou FCCA and P Spyrou & Co referred to him by ACCA on 13 July 2023**

**Introduction**

1. P Spyrou & Co is the sole practice of ACCA member, Mr P Spyrou. I have considered a report, including ACCA's recommendation, together with related correspondence, concerning Mr Spyrou'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:
  - a The firm has been the subject of six audit quality monitoring reviews;
  - b Prior to the sixth review, the firm had five monitoring reviews in 1994, 2000, 2005, 2011 and 2017. At these reviews, the audit work on the files inspected appeared to be of a reasonable standard and the firm's procedures to be appropriate to its circumstances and to the nature and size of the firm's audit clients. There were some deficiencies which were included in the subsequent reports;
  - c At the sixth review, which was carried out during June 2023, the Compliance Officer found that the firm had not maintained effective audit procedures, and, in fact, the standard of audit work appeared to have deteriorated significantly. There were some serious deficiencies in the audit work on the three audit files inspected which had resulted in audit opinions not being adequately supported by the work performed and recorded.
  - d Following the sixth review, the firm submitted an action plan to ACCA addressing the root causes of its failings and the action it was taking.

**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 Spyrou should:
  - i. be subject to an accelerated monitoring visit before December 2024 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 Spyrou 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 Spyrou 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 Spyrou 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 Spyrou and his firm by name.

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David Sloggett FCCA  
Regulatory Assessor  
19 September 2023