

POPPITT, EDWARD

The Institute of Chartered Accountants of Saskatchewan (ICAS) Discipline Committee conducted a hearing on November 18, 2013 into a complaint of the Professional Conduct Committee.

The general nature of the complaint was that during 2002-2003 the member, Edward Poppitt, CA failed to maintain the reputation of the profession. Further that:

- the member did not perform professional services in accordance with generally accepted standards of practice of the profession;
- the member did issue an assurance engagement report while not being free of influences, interests or relationships which would be seen to impair the member's professional judgment or objectivity;
- the member did not remain free of influences, interests or relationships that would be seen to impair his professional judgment or objectivity or which placed him in a position where his interests conflicted with the interests of the client, nor did the member explicitly disclose these influences, interests or relationships; and
- the member did not perform professional services with due care.

The allegation was that the member breached bylaws 201.1, 202, 204.1, 204.3, 206 and 207 which state:

201.1 A member or student shall conduct themselves at all times in a manner which will maintain the good reputation of the profession and its ability to serve the public interest.

202. A member or student shall perform their professional services with integrity and due care.

204.1 A member who engages or participates in an engagement
(a) to issue a written communication under the terms of any assurance engagement, or
(b) to issue a report on the results of applying specified auditing procedures shall be and remain free of any influence, interest or relationship which, in respect of the engagement, impairs the member's professional judgement or objectivity or which, in the view of a reasonable observer, would impair the member's professional judgement or objectivity.

204.3 Where a member engaged in the practice of public accounting, or in a related business or practice, provides a service not subject to the requirements of Rules 204.1 or 204.2, such member shall disclose any influence, interest or relationship which, in respect of the engagement, would be seen by a reasonable observer to impair the member's professional judgement or objectivity and such disclosure

shall be made in the member's written report, notice to reader or other written communication accompanying financial statements or financial or other information and the disclosure shall indicate the nature of the influence or relationship and the nature and extent of the interest.

206. A member engaged in the practice of public accounting shall perform their professional services in accordance with generally accepted standards of practice of the profession, including the recommendations set out in the CICA Handbook
207. A member engaged in the practice of public accounting or the public practice of a function not inconsistent with public accounting shall inform their clients or associates in such practice of any business connections, any affiliations, and any interests of which they might reasonably expect to be informed but this does not necessarily include disclosure of professional services the member may be rendering or proposing to render to other clients.

The ICAS Discipline Committee accepted the members' admission that he did violate Bylaws 201.1, 202, 204.1, 204.3, 206 and 207 and therefore issued the following Order:

- That the member shall receive and acknowledge a letter of written reprimand;
- That the member shall pay a fine in the amount of \$30,000.00;
- That the member shall pay costs associated with the disciplinary proceedings in the fixed amount of \$35,000.00; and
- That the fine and costs shall be paid by the member within 60 days of receipt of the Order and, failing payment within the 60 days, he shall be suspended. On failing payment within a further 60 days, he shall be expelled.

Further, the ICAS Discipline Committee also ordered that a notice of the Decision and Order be published with the member's name in the Institute's *Horizons* newsletter.