



**NEW ZEALAND INSTITUTE OF CHARTERED ACCOUNTANTS
DISCIPLINARY TRIBUNAL**

NOTICE OF DECISION (MEMBER SUSPENDED)

At a hearing of the Disciplinary Tribunal of the New Zealand Institute of Chartered Accountants held in private on 17 December 2012 the Disciplinary Tribunal considered an ex-parte application from the Professional Conduct Committee under Rule 21.11 of the Rules of the New Zealand Institute of Chartered Accountants for the interim suspension from membership of the Institute of **David Robert Gilmour Ross** a Chartered Accountant of **Wellington**.

Reasons

1. The Member is a shareholder and director of Ross Asset Management Limited and related entities which were placed in receivership by the High Court on the application of the Financial Markets Authority.
2. The preliminary findings of the receivers of Ross Asset Management Limited and related entities indicate fraud of a very substantial scale. The receivers have advised that approximately \$440 million of purported investments are unable to be located.
3. The Member has not denied the allegations. The Member has reportedly advised the receivers not to expect to locate any further assets.
4. The receivers have advised that the records and systems of the Member's entities are not of a standard they expected to see in a business of the scale and nature of his. Records do not appear to have been updated and reconciled on a regular basis to reflect transactions entered into and in some instances the receivers have had to recreate records.
5. The receivers have also advised that financial reporting to investors is likely to have been exaggerated and may possibly be fictitious.
6. The alleged activities, if established, appear to have occurred over a number of years.
7. The alleged offending, if established, constitutes an abuse of trust endowed in the Member by his investor clients.
8. The Member may need to look for employment in the future. To protect the interests of any person who may have dealings with the Member before the substantive hearing of the complaint of the Professional Conduct Committee, he must not be able to rely on his Chartered Accountants designation.

Orders of the Disciplinary Tribunal:

- (a) Pursuant to Rule 21.20 (a) of the Rules of the New Zealand Institute of Chartered Accountants, the Disciplinary Tribunal ordered that **David Robert Gilmour Ross** be suspended from membership of

the Institute until further order of the Disciplinary Tribunal upon the grounds that it is satisfied that it is necessary and desirable to do so having regard to the interests of the public and the financial interests of any person.

- (b) Pursuant to Rule 21.20 (b) of the Rules of the New Zealand Institute of Chartered Accountants, the Disciplinary Tribunal ordered that after 14 days have elapsed notice of the suspension be published in *the Dominion Post*, the *Chartered Accountants' Journal* and on the Institute's website with mention of the Member's name and locality.

R J O Hoare

Chairman

Disciplinary Tribunal

New Zealand Institute of Chartered Accountants

17 December 2012