



**NEW ZEALAND INSTITUTE OF CHARTERED ACCOUNTANTS
NOTICE OF DECISION AND ORDER OF THE PROFESSIONAL CONDUCT
COMMITTEE**

At a meeting of the Professional Conduct Committee of the New Zealand Institute of Chartered Accountants ("NZICA") held in private on 22 May 2012, in respect of a Member (name withheld), Chartered Accountant, the Committee found that the following matters would otherwise warrant being referred to the Disciplinary Tribunal.

In their role as a Chartered Accountant in public practice, the Member breached Rule(s) 9 and/or 11 of the Code of Ethics in that the Member:

- (a) failed to obtain and/or document sufficient appropriate audit evidence to demonstrate compliance with applicable auditing standards in the audit(s) of "Incorporated Society X" for the year ended 31 August 2008 and/or "Incorporated Society Y" for the year ended 30 September 2010; and/or
- (b) failed to correctly recognise vineyard income receivable in the financial statements of "Client Z" for the year ended 31 March 2008.

With the written consent of the Member, the Professional Conduct Committee made the following orders, which shall be entered on the Member's record:

- (1) The Member be severely reprimanded in accordance with Rule 21.6(d)(v);
- (2) The Member pay costs to NZICA in the sum of \$2,562.50 in accordance with Rule 21.6(d)(vii).

The Member accepted the particulars.

The Committee considered the matters were serious enough to warrant referral to the Disciplinary Tribunal, but noted that the extent of the assurance engagements undertaken by the Member had been limited; the Member was no longer performing such engagements and had provided an undertaking to the Committee that he would not undertake any further assurance engagements.

The Professional Conduct Committee considered that it was in the public interest for notice of its decision to be published in the *Chartered Accountants' Journal* and on NZICA's website, without mention of the Member's name or locality. The Committee considered publication to be necessary to illustrate the importance of having appropriate experience before undertaking assurance engagements.

D J Barker
Chairman
Professional Conduct Committee

7 June 2012