



NOTICE OF FURTHER CANCELATION KEVIN DOUGLAS McCLELLAND

After due consideration of the verbal and written evidence, and the submissions placed before it, the Discipline Tribunal finds Kevin Douglas McClelland, CA acting alone or as a representative of Kevin D. McClelland, Professional Corporation, is guilty of unprofessional conduct between February 2006 to November 2006 in having failed to maintain the good reputation of the profession by:

1. failing to comply with the *Regulated Accounting Profession Act [RAPA]* by performing an audit and issuing an unqualified auditor's report dated March 22, 2006 on the financial statements of Company A for the year ended June 30, 2005 although he was not registered as a public accounting firm as required by section 46 of the *RAPA*.
2. failing to cooperate with a successor auditor, by
 - a. not responding in a timely manner to a letter dated May 23, 2006 from the successor auditor enquiring whether there were any circumstances to be considered before accepting the engagement as auditors for the year ended June 30, 2006
 - b. not responding on a timely basis to requests from the successor auditor to transfer client information consisting of the trial balance, journal entries and general ledger
3. issued an unqualified auditor's report dated March 22, 2006 on financial statements of Company A for the year ended June 30, 2005 although the financial statements contained material errors in that
 - a. Current assets of \$214,866 and unrestricted net assets of \$213,261 were overstated by at least \$74,000
 - b. Revenue of \$241,109 was overstated by \$21,800
 - c. Expenses of \$157,266 were understated by at least \$55,000
 - d. Excess of revenue over expenses of \$83,843 was overstated by \$77,263
4. issued an unqualified auditor's report dated March 22, 2006 on financial statements of Company A for the year ended June 30, 2005 although he failed to obtain sufficient appropriate audit evidence to support his opinion.

ORDERS

In accordance with section 98(1) of the *Regulated Accounting Profession Act*, the Tribunal orders that:

The registration of Kevin Douglas McClelland is cancelled effective September 5, 2008.

In accordance with Section 94 of the Act, the Tribunal orders that:

Kevin Douglas McClelland pay 100% of the costs of the investigation, hearing and



compliance with the orders within 60 days of the service of the statement of costs.

Kevin Douglas McClelland is also ordered to pay fines of \$2,500 for on each of the four findings of guilt within 60 days from the date of service of the statement of costs.

PUBLICATION

The Discipline Tribunal further orders that the decision is to be published as soon as practicable after the decision is issued, by:

1. Notification of the Discipline Tribunal's finding and orders be provided on a named basis to all provincial institutes, the Institute of Chartered Accountants of Bermuda, and any other professional organization Kevin Douglas McClelland belongs to and the Institute is aware of, as of the date of this order;
2. Notification of the Discipline Tribunal's finding and orders be provided to all provincial institutes to which Kevin Douglas McClelland applies for membership at any time following this order;
3. Notice of the cancellation of registration, the nature of the conduct and the orders made in connection therewith be provided
 - (a) to all Chartered Accountants by inclusion in the next general mailing from the Institute of Chartered Accountants of Alberta to Chartered Accountants; and to Kevin Douglas McClelland's employer;
4. Notice of the cancellation of registration shall be published to all Chartered Accountants by an insertion once in the Membership Activity Report of the Institute;
5. Notice of the Discipline Tribunal's finding and orders be provided to any member of the public who directs an enquiry to the Institute about the discipline history of Kevin Douglas McClelland;
6. A summary of the Discipline Tribunal's finding, the nature of the conduct, and the orders made in connection therewith be published on the Institute's public website on a named basis; and
7. Notice of the cancellation of registration be published in the *Calgary Herald* and the *Cochrane Times* with notice that further information can be obtained from the Institute.
8. Notice of the cancellation of registration to his employer.

Discipline Tribunal Secretary
November 16, 2008