



NOTICE OF CANCELLATION OF REGISTRATION NEIL CLAYTON SMITH

On June 8, 2005, a Discipline Tribunal cancelled the registration of **Neil Smith**.

The Tribunal found Neil Smith acting alone or as a representative of Company "A" guilty of unprofessional conduct in having

1. engaged in a public accounting practice between 2000 and 2004 by
 - a. preparing the 1999 Personal Income Tax Return for Mr. X;
 - b. issuing a compilation engagement report (Notice to Reader) on the financial statements of Mr. X Professional Corporation for the years ended December 31, 1999, December 31, 2000 and December 31, 2001 and preparing corporate tax returns thereon;
 - c. issuing to the Executive Director of the Law Society of Alberta a Form T report dated March 21, 2002 on the Trust Account of X & Company for the year ended December 31, 2001;
 - d. issuing a compilation engagement report (Notice to Reader) on the financial statements of ABC Inc. for the year ended December 31, 2002; and
 - e. issuing a compilation engagement report (Notice to Reader) on the financial statements of a Professional Corporation for the period ended December 31, 2003.

although

- i. he had provided the Institute of Chartered Accountants of Alberta an undertaking on July 8,
 - ii. 1997 that he would withdraw from public practice by September 30, 1997 until such time as
 - iii. he had satisfied the Professional Conduct Committee that he was technically and
 - iv. emotionally capable to practice;
 - v. he failed to register his public accounting practice as a public accounting firm;
 - vi. he failed to carry professional liability insurance; and
 - vii. he associated himself with a corporation, Company "A", engaged in a public
 - viii. accounting practice.
2. associated himself with false and misleading statements by advising the Institute of Chartered Accountants that he was not engaged in practicing public accounting
 - a) in a letter signed March 8, 2001;
 - b) in a letter signed June 12, 2002; and
 - c) in a letter signed May 16, 2003.
3. with respect to professional services provided between 1999 and 2004 to Mr. X, the Estate of Mr. X and Mr. X Professional Corporation:
 - a) failed to perform professional services with due care by
 - i. claiming a Business Investment Loss in the 1999 T1 of Mr. X although the loss did not meet the requirements,
 - ii. failing to provide advice to Mrs. Y, Executrix for the Estate of Mr. X regarding reassessments of the personal income tax returns of Mr. X,
 - iii. failing to respond to correspondence from Mrs. Y's lawyer dated June 4, 2003,
 - iv. failing to respond to telephone calls from Mrs. Y,
 - v. failing to complete the terminal return of Mr. X on a timely basis,



- vi. failing to prepare the financial statements and tax returns of Mr. X Professional Corporation for the years ended December 31, 2002 and December 31, 2003 on a timely basis: and
 - b) failed to sustain his professional competence by keeping informed of, and in compliance with tax requirements for business investment losses
4. failed to cooperate with the ICAA preliminary investigator in December 2004.

In addition to this notice, the Discipline Tribunal ordered publication of the

1. notification of the Tribunal's findings and orders be provided to all provincial institutes, the Institute of Chartered Accountants of Bermuda, and any other professional organization Neil Smith belongs to and the Institute is aware of, as of the date of this order;
2. notification of the Tribunal's findings and orders be provided to all provincial institutes to which Neil Smith applies for membership at any time following this order;
3. notice of the cancellation of registration, the nature of the conduct and orders made be provided to all Chartered Accountants by way of an inclusion in the next general mailing from the Institute of Chartered Accountants of Alberta, and to any companies with which he is known to be associated;
4. notice of the cancellation of registration, be published to all Chartered Accountants by an insertion, once, in the Membership Activity Report;
5. notice of the Tribunal's findings and orders be provided to any member of the public who directs an enquiry to the Institute about the discipline history of Neil Smith;
6. notice of the cancellation of registration be published in the *Calgary Herald* and that more information can be obtained from the Institute of Chartered Accountants of Alberta;
7. notice of the Tribunal's findings, the nature of the conduct and orders made in connection therewith be published on the ICAA Website on a named basis.

Jude Corrin
Discipline Tribunal Secretary
June 30, 2005