



FOUNDED 1879

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
ONTARIO
FORM 9A

THE CHARTERED ACCOUNTANTS ACT, 2010

TO: MANJIT S. LOTAY, (suspended)

AND TO: The Discipline Committee of CPA Ontario

The Professional Conduct Committee hereby makes the following Allegations of professional misconduct against MANJIT S. LOTAY, a suspended Member of CPA Ontario:

1. THAT the said Manjit S. Lotay, in or about the period March 1, 2014 through November 30, 2014, while engaged to perform an audit of the financial statements of "AP Inc." for the year ended March 31, 2014, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
 - (a) he failed to ensure adequate disclosure of related party transactions;
 - (b) he failed to disclose of a change in the amortization rate applied during the year in "Note 3 Product Registration Fees";
 - (c) he failed to document management approval of journal entries;
 - (d) he failed to ensure adequate disclosure of financial instruments;
 - (e) he failed to ensure the proper disclosure in the Statement of Cash Flows of the additions to and proceeds of disposal of fixed assets and the increase in deferred products registration fees; and
 - (f) he failed to ensure the adequate disclosure of the lease commitment.

2. THAT the said Manjit S. Lotay, in or about the period December 1, 2013 through August 31, 2014, while engaged to perform an audit of the financial statements of "HCMT&HC" for the year ended December 31, 2013, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
 - (a) he failed to ensure that his "Auditors' Report" was accurate and in the form prescribed by the *CICA Handbook*;

- (b) he failed to ensure the proper classification of the Balance Sheet item "Bond in trust 38,656";
 - (c) he failed to ensure the proper disclosure of the Balance Sheet item "Loan receivable 2,000";
 - (d) he failed to ensure the proper disclosure of the Balance Sheet item "Bank loan payable 21,698";
 - (e) he failed to ensure the disclosure of the reconciliation of the income tax shown in Note 7 related to the net loss for the year, to the applicable statutory income tax rate;
 - (f) he failed to document his discussion with the shareholders confirming the amount of the Balance Sheet item "Advances from shareholders (Note 5) 167,954" and that no payments would be required within a year; and
 - (g) he failed to ensure adequate disclosure of financial instruments.
3. THAT the said Manjit S. Lotay, in or about the period April 1, 2014 through November 30, 2014, while engaged to perform a review of the financial statements of "H&CC" for the year ended April 30, 2014, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
- (a) he failed to ensure adequate disclosure of related party transactions;
 - (b) he failed to ensure adequate disclosure in "Note 8 Automobile Loans Payable" and in "Note 9 Lease Payable";
 - (c) he failed to ensure adequate disclosure of financial instruments;
 - (d) he failed to ensure adequate disclosure of revenue recognition policies; and
 - (e) he failed to document enquiry, analysis and discussion performed to establish the plausibility of the allowance for doubtful accounts.
4. THAT the said Manjit S. Lotay, in or about the period April 1, 2014 through November 30, 2014 while engaged to perform a review of the financial statements of "CCS Inc." for the year ended April 30, 2014, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
- (a) he failed to adequately document enquiry, analysis and discussion performed to establish the plausibility of Balance Sheet item "Advance from shareholders

(Note 3) 138,512" and that the item isn't a current liability because of agreements that repayment will not be required within one year;

(b) he failed to disclose an automobile lease requiring annual payments of \$9,027 and the total amount of future payments on that lease in "Note 7 – Lease Obligations"; and

(c) he failed to document enquiry, analysis and discussion performed to establish the plausibility of Balance Sheet item "Gst payable 42,582".

Dated at Erin, Ontario, this 31 day of May, 2017

A handwritten signature in black ink, appearing to read 'R. G. Simon', with a long horizontal stroke extending to the right.

R. G. SIMON, CPA, CA, CHAIR
PROFESSIONAL CONDUCT COMMITTEE



FOUNDED 1879

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
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FORM 9A

THE CHARTERED ACCOUNTANTS ACT, 2010

TO: RAMMINDER S. BAWEJA, (suspended)

AND TO: The Discipline Committee of CPA Ontario

The Professional Conduct Committee hereby makes the following Allegations of professional misconduct against RAMMINDER S. BAWEJA, a suspended Member of CPA Ontario:

1. THAT the said Ramminder S. Baweja, in or about the period March 1, 2014 through July 31, 2014, while engaged to perform an audit of the financial statements of "GSC" for the year ended March 31, 2014, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
 - (a) he failed to ensure complete disclosure of revenue recognition policies;
 - (b) he failed to ensure correct disclosure in note 3 Significant accounting policies that the short term investments of \$50,000 had maturities in excess of 3 months; and
 - (c) he failed to ensure that in note 5 Financial instruments the mortgage payable and other loans payable were identified as financial instruments and that prepaid expenses be excluded from the Statement of Financial Position item "Prepaid expenses and sundry assets 56,956".

2. THAT the said Ramminder S. Baweja, in or about the period March 1, 2015 through July 31, 2015, while engaged to perform an audit of the financial statements of "GSC" for the year ended March 31, 2015, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
 - (a) he failed to ensure that the opening balances for Cash and Term deposits on the Statement of Financial Position as at March 31, 2014 and the "Cash – end of year" 2014 on the Statement of Cash Flows agreed;
 - (b) he failed to ensure that the increase of 31,976 in the Statement of Financial Position item "Accounts payable and accruals" from 12,541 on March 31,

2014 to 44,517 on March 31, 2015 agreed with the 2015 item "Accounts payable and accruals 3,714" on the Statement of Cash Flows;

- (c) he failed to ensure correct disclosure in note 3 Significant accounting policies that the short term investments of \$100,000 had maturities in excess of 3 months; and
 - (d) he failed to ensure that in note 5 Financial instruments the mortgage payable and other loans payable were identified as financial instruments and that prepaid expenses be excluded from the Statement of Financial Position item "Prepaid expenses and sundry assets 88,965".
3. THAT the said Ramminder S. Baweja, in or about the period July 1, 2013 through March 31, 2014, while engaged to perform an audit of the financial statements of "ALCBC" for the year ended August 31, 2013, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Rules of Professional Conduct, in that:
- (a) he failed to ensure correct disclosure of significant accounting policies;
 - (b) he failed to ensure correct disclosure of the financial instruments and what financial instrument will be measured at fair value;
 - (c) he failed to ensure that the word "amortization" was used rather than "depreciation" in the Statement of Cash Flows, in "Note 2 Significant Accounting Policies" and in "Note 4 Fixed"; and
 - (d) he failed to ensure that in "Note 4 Fixed" the item "Goodwill" was stated at cost and not subject to accumulated amortization or depreciation.

Dated at Erin, Ontario, this 31st day of May, 2017



R. G. SIMON, CPA, CA, CHAIR
PROFESSIONAL CONDUCT COMMITTEE