

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017

TO: Jack Cayne, CPA, CGA

AND TO: The Discipline Committee of CPA Ontario

The Professional Conduct Committee of CPA Ontario hereby makes the following amendments to the Allegations of professional misconduct against Jack Cayne, CPA, CGA, a member of CPA Ontario:

1. THAT the said Jack Cayne, in or about the period June 20, 2022 ~~December 1, 2021~~ to March 31, 2023, while engaged to perform the review of the financial statements of TMC Inc. for the year ended December 31, 2020, failed to co-operate with the regulatory processes of CPA Ontario in accordance with Rule 104 of the CPA Ontario Code of Professional Conduct (Code), in that:
 - a. ~~He failed to provide all relevant working papers for the TCM Inc. engagement, as requested, to CPA Ontario's appointed Practice Inspector (PI) for a December 16, 2021, practice inspection;~~
 - b. He failed to provide all relevant working papers to support the TCM Inc. engagement as requested in writing on May 30, 2022, by CPA Ontario's Standards Enforcement department;
 - c. He failed to provide the Professional Conduct Committee's investigator (Investigator) with the same documentation he provided to CPA Ontario's the Practice Inspector (PI), thereby frustrating the Investigator's ability to investigate the professional standards deficiencies cited by the PI; and
 - d. He failed to comply with the Investigator's requests on January 5 and January 24, 2023, for him to provide her all the relevant working papers for the TMC Inc. engagement.
2. THAT the said Jack Cayne, in or about the period August 1, 2022 to March 31, 2023, while engaged to perform assurance and other professional services failed to take reasonable steps to maintain adequate documentation to reasonably evidence the nature and extent of work he performed contrary to Rule 218 of the Code, in that, as of August 1, 2022, when transitioning his practice to semi-retirement Cayne destroyed or caused to be destroyed all client files in his possession.

3. THAT the said Jack Cayne, in or about the period December 1, 2020 to May 31, 2021, while engaged to perform the review of the financial statements of TMC Inc. for the year ended December 31, 2020, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the Code, in that:
 - a. He failed to present sufficient documentation to support the issuance of an Independent Practitioner's Review Engagement Report;
 - b. He failed to provide sufficient appropriate evidence to support his conclusion of TMC Inc. as a going concern; and
 - c. He failed to document the basis of his conclusion on the financial statements.
4. THAT the said Jack Cayne, in or about the period December 1, 2021 to March 31, 2023, while acting as the lead engagement partner failed to perform his professional services in accordance with generally accepted standards of practice for the profession, contrary to his Quality Assurance Manual (QAM) and Rule 206.1 of the Code, and in that:
 - a. He failed to complete, in any engagement, an assessment of whether the criteria requiring the performance of an engagement quality control review was met; and
 - b. He failed to comply with the QAM's working paper retention policies.

Dated at Waterloo, Ontario this 16th day of August 2023.



J.C. Degani, FCPA, FCA, FCMA – VICE
CHAIR
PROFESSIONAL CONDUCT
COMMITTEE