

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

*CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017*

**TO:** Shamsuddin Tejani, CPA, CA

**AND TO:** The Discipline Committee of CPA Ontario

The Professional Conduct Committee of CPA Ontario hereby makes the following Allegations of professional misconduct against Shamsuddin Tejani, CPA, CA, a member of CPA Ontario:

1. THAT the said Shamsuddin Tejani, in or about the period of July 6, 2021, to March 28, 2023, having entered into a supervision agreement dated July 2, 2021 pursuant to an order of the Discipline Committee made June 1, 2021, failed to conduct himself in a manner which will maintain the good reputation of the profession and serve the public interest, contrary to Rule 201.1 of the Code of Professional Conduct, in that he issued ten assurance engagement reports without advising the supervisor of their existence, and without the supervisor signing off on same prior to issuance as agreed in the supervision agreement.
2. THAT the said Shamsuddin Tejani, in or about the period of February 14, 2022 to August 30, 2022, while engaged to perform an audit of the financial statements of "CCAI" for the year ended February 28, 2022, 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 of Professional Conduct, in that:
  - a. He failed to prepare audit documentation on a timely basis in the following areas:
    - i. He failed to document his understanding of the entity and its environment
    - ii. He failed to prepare an overall audit strategy and plan;
    - iii. He failed to document the calculation of performance materiality;
    - iv. He failed to document the review of the materiality calculations;
    - v. He failed to document the internal control relevant to the audit.
  - b. He failed to obtain sufficient appropriate audit evidence to identify and assess the risks of material misstatement, whether due to fraud or error, at the financial

statement and assertion level, including inquiries of management and those charged with governance;

- c. He failed to test journal entries for unauthorized entries and management override;
- d. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to events occurring between the date of the financial statements and the date of the auditor's report;
- e. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to related party transactions;
- f. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to going concern considerations;
- g. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to material misstatement related to litigation and claims;
- h. He failed to perform analytical procedures near the end of the audit that assist the auditor when forming an overall conclusion as to whether the financial statements are consistent with the auditor's understanding of the entity;
- i. He failed to perform substantive procedures to form a conclusion with respect to material classes of transactions and account balances;
- j. He improperly disclosed a security bond deposit as a current asset; and
- k. He failed to correctly reconcile the amount of income taxes payable per the financial statements to income taxes payable using the statutory income tax rate.

3. THAT the said Shamsuddin Tejani, in or about the period of March 17, 2022 to September 29, 2022, while engaged to perform an audit of the financial statements of "TAI" for the year ended March 31, 2022, 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 of Professional Conduct, in that:

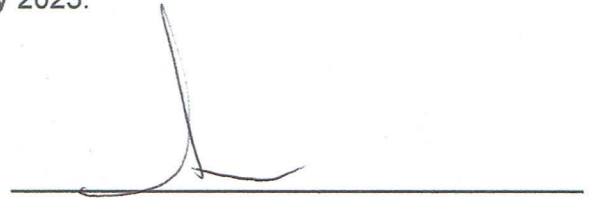
- a. He failed to prepare audit documentation on a timely basis in the following areas:
  - i. He failed to document his understanding of the entity and its environment;
  - ii. He failed to prepare an overall audit strategy and plan;



- iii. He failed to document the calculation of materiality;
  - iv. He failed to document the internal control relevant to the audit.
- b. He failed to obtain sufficient appropriate audit evidence to identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement and assertion level, including inquiries of management and those charged with governance;
  - c. He failed to test journal entries for unauthorized entries and management override;
  - d. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to events occurring between the date of the financial statements and the date of the auditor's report;
  - e. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to related party transactions;
  - f. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to going concern considerations;
  - g. He failed to obtain sufficient appropriate evidence to form a conclusion with respect to material misstatement related to litigation and claims;
  - h. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to material classes of transactions and account balances;
  - i. He improperly disclosed a security bond deposit as a current asset; and
  - j. He failed to perform analytical procedures near the end of the audit that assist the auditor when forming an overall conclusion as to whether the financial statements are consistent with the auditor's understanding of the entity.
4. THAT the said Shamsuddin Tejani, in or about the period of December 17, 2021 to June 20, 2022, while engaged to perform an audit of the financial statements of "UCL" for the year ended December 31, 2021, 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 of Professional Conduct, in that:
- a. He failed to prepare audit documentation on a timely basis in the following areas:

- i. He failed to document his understanding of the entity and its environment;
  - ii. He failed to prepare an overall audit strategy and plan;
  - iii. He failed to document the calculation of materiality;
  - iv. He failed to document the internal control relevant to the audit.
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- b. He failed to obtain sufficient appropriate audit evidence to identify and assess the risks of material misstatement, whether due to fraud or error, at the financial statement and assertion level, including inquiries of management and those charged with governance;
  - c. He failed to test journal entries for unauthorized entries and management override;
  - d. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to events occurring between the date of the financial statements and the date of the auditor's report;
  - e. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to related party transactions;
  - f. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to going concern considerations;
  - g. He failed to obtain sufficient appropriate audit evidence to form a conclusion with respect to material misstatement related to litigation and claims;
  - h. He failed to perform analytical procedures near the end of the audit that assist the auditor when forming an overall conclusion as to whether the financial statements are consistent with the auditor's understanding of the entity;
  - i. He failed to perform substantive procedures to form a conclusion with respect to material classes of transactions and account balances;
  - j. He failed to reconcile the amount of income taxes payable per the financial statements to income taxes payable using the statutory income tax rate; and
  - k. He failed to obtain sufficient appropriate audit evidence prior to making an adjustment to the client's records in respect of expenses incurred by the shareholders personally, the amount of which was credited to the shareholders' loan account

Dated at Caledon East, Ontario, this 1st day of May 2023.

A handwritten signature in dark ink, appearing to be 'D. VaseLENak', is written over a solid horizontal line.

D. VASELENAK, CPA, CMA, DEPUTY CHAIR  
PROFESSIONAL CONDUCT COMMITTEE