

John Allan Murray Norris: Summary, as Published in *CheckMark*

John Allan Murray Norris, of Exeter, was found guilty of four charges of professional misconduct, under Rules 201 and 205. While involved in a partnership dispute, the member contravened his partnership agreement by collecting fees on his own behalf for work performed for firm clients, knowingly presented false and misleading financial information to his partners. He was fined \$7,5000.

Mr. Norris complied with his order and is still a MEMBER IN GOOD STANDING.

CHARGE(S) LAID re John Allan Murray Norris

The Professional Conduct Committee hereby makes the following charges against John AM. Norris, CA, a member of the Institute:

1. THAT, the said John Norris, while a partner with the firm Norris, Homuth, Taylor, Pinder & McNeilly Chartered Accountants, during the period January 1989 through to June 1990, failed to conduct himself in a manner that will maintain the good reputation of the profession and its ability to serve the public interest contrary to Rule 201 of the Rules of Professional Conduct in that;
 - a) he acted on behalf of clients in the preparation of income tax returns for the 1988 and 1989 taxation years and charged fees to those clients and collected same outside of the partnership and in contravention of the partnership agreement without informing his partners;
2. THAT, the said John Norris, while a partner with the firm Norris, Homuth, Taylor, Pinder & McNeilly Chartered Accountants, during the period June 1989 through to June 1990, failed to conduct himself in a manner that will maintain the good reputation of the profession and its ability to serve the public interest contrary to Rule 201 of the Rules of Professional-Conduct in that;
 - a) having provided an undertaking to partners of the firm, in or about June of 1989, that he would no longer perform any professional work outside of the partnership he failed to honour that undertaking by preparing income tax returns for clients for the 1989 taxation year and collecting fees for this work on his own behalf without advising the partners that this was being done.
3. THAT, the said John Norris, while a partner with the firm Norris, Homuth, Taylor, Pinder & McNeilly, in or about the month of June 1989 associated himself with statements or representations which he knew or should have known were false or misleading, contrary to Rule 205(1) of the Rules of Professional Conduct, in that he provided to his partners a listing of clients showing fees charged, which list purported to be a complete listing of all of those clients that he had done work for outside of the firm along with all of the fees he had billed for the preparation of income tax returns for those clients for the 1988 taxation year when there were a larger number of clients that he had provided professional services to and billed.
4. THAT, the said John Norris, while a partner with the firm Norris, Homuth, Taylor, Pinder & McNeilly, in or about the month of June 1989 made oral statements or representations which he knew or should have known were false or misleading, contrary to Rule 205(2) of the Rules of Professional Conduct, in that he told partners of the firm that a listing of clients showing fees charged, was a complete listing of all of those clients that he had done work for outside of the firm and represented all of the fees he had billed for the preparation of income tax returns for the 1988 taxation year outside of the firm, when there were a larger number of clients that he had provided professional services to and billed.

DATED at Toronto this 6th day of January 1992

J.L.M. BADALI, FCA -CHAIR
PROFESSIONAL CONDUCT COMMITTEE

DISCIPLINE COMMITTEE re John Allan Murray Norris

DECISION AND ORDER IN THE MATTER OF: Charges against JOHN ALLAN MURRAY NORRIS, CA, a member of the Institute, under former Rules 201, 205(1) and 205(2) of the Rules of Professional Conduct, as amended.

DECISION AND ORDER MADE JUNE 8, 1992

DECISION

THAT, having seen and considered the evidence, including the agreed statement of facts, filed, and having heard the plea of guilty to charges Nos. 1, as amended, 2, 3 and 4, THE DISCIPLINE COMMITTEE FINDS John Allan Murray Norris guilty of charges Nos. 1, as amended, 2, 3 and 4.

ORDER

IT IS ORDERED in respect of the charges:

1. THAT Mr. Norris be reprimanded in writing by the chair of the hearing.
2. THAT Mr. Norris be and he is hereby fined the sum of \$7,500, to be remitted to the Institute within sixty (60) days from the date this Decision and Order becomes final under the bylaws.
3. THAT notice of this Decision and Order, disclosing Mr. Norris' name, be given after this Decision and Order becomes final under the bylaws:
 - (a) by publication in *CheckMark*;
 - (b) to the Public Accountants Council for the Province of Ontario; and
 - (c) to the Canadian Institute of Chartered Accountants.
4. THAT in the event Mr. Norris fails to comply with the requirement of paragraph 2 of this Order within the time period therein specified, he shall thereupon be suspended from the rights and privileges of membership in the Institute, and notice of his suspension, disclosing his name, shall be given in the manner specified in paragraph 3 hereof.
5. THAT in the event Mr. Norris is suspended pursuant to paragraph 4 hereof, the suspension shall terminate upon his compliance with paragraph 2 of this Order, provided that he complies within thirty (30) days from the date of his suspension.
6. THAT in the event Mr. Norris fails to terminate suspension within thirty (30) days, he shall thereupon be expelled from membership in the Institute, and notice of his expulsion, disclosing his name, shall be given in the manner specified in paragraph 3 hereof.

DATED AT TORONTO, THIS 11TH DAY OF JUNE, 1992
BY ORDER OF THE DISCIPLINE COMMITTEE

BRYAN W. STEPHENSON, BA, LLB
SECRETARY - DISCIPLINE COMMITTEE

DISCIPLINE COMMITTEE re John Allan Murray Norris

REASONS FOR THE DECISION AND ORDER IN THE MATTER OF: Charges against JOHN ALLAN MURRAY NORRIS, CA, a member of the Institute, under former Rules 201, 205(1) and 205(2) of the Rules of Professional Conduct, as amended.

WRITTEN REASONS FOR THE DECISION AND ORDER MADE JUNE 8 1992

These proceedings before this panel of the discipline committee of the Institute of Chartered Accountants of Ontario were convened on June 8, 1992.

Mr. Paul Farley attended on behalf of the professional conduct committee, and Mr. Norris attended with his counsel, Mr. John Judson.

The professional conduct committee had laid two charges under Rule 201 and one charge under each of Rules 205(1) and 205(2) of the Rules of Professional Conduct. Before the charges were entered as an exhibit, a minor amendment was made, on consent, to charge No. 1. Mr. Norris then pleaded guilty to all four charges, as amended.

The member and his counsel both confirmed that they understood that upon a plea of guilty, and upon that basis alone, the member could be found guilty of the charges.

The charges laid against the member were that

- he failed to conduct himself in a manner which maintains the good reputation of the profession and its ability to serve the public interest, contrary to Rule 201;
- he associated himself with statements or representations which he knew or should have known were false or misleading, contrary to Rule 205(1); and
- he made oral statements or representations which he knew or should have known were false or misleading, contrary to Rule 205(2).

An agreed statement of facts, signed by the member and counsel for the professional conduct committee, and an accompanying document brief, were filed as exhibits.

The evidence indicated that the member, while involved in a bitter partnership dispute, contravened his partnership agreement, by collecting, on his own behalf, fees for work performed for firm clients, and by knowingly presenting false and misleading financial information to his partners.

After deliberation, the committee concluded that the evidence before it supported a finding of guilty of each of the charges.

The committee then heard counsels' joint submission as to sanction and, after deliberation, made the following order:

ORDER

IT IS ORDERED in respect of the charges:

1. THAT Mr. Norris be reprimanded in writing by the chair of the hearing.
2. THAT Mr. Norris be and he is hereby fined the sum of \$7,500, to be remitted to the Institute within sixty (60) days from the date this Decision and Order becomes final under the bylaws.
3. THAT notice of this Decision and Order, disclosing Mr. Norris' name, be given after this Decision and Order becomes final under the bylaws:
 - (a) by publication in *CheckMark*;
 - (b) to the Public Accountants Council for the Province of Ontario; and
 - (c) to the Canadian Institute of Chartered Accountants.
4. THAT in the event Mr. Norris fails to comply with the requirement of paragraph 2 of this Order within the time period therein specified, he shall thereupon be suspended from the rights and privileges of membership in the Institute, and notice of his suspension, disclosing his name, shall be given in the manner specified in paragraph 3 hereof.
5. THAT in the event Mr. Norris is suspended pursuant to paragraph 4 hereof, the suspension shall terminate upon his compliance with paragraph 2 of this Order, provided that he complies within thirty (30) days from the date of his suspension.
6. THAT in the event Mr. Norris fails to terminate suspension within thirty (30) days, he shall thereupon be expelled from membership in the Institute, and notice of his expulsion, disclosing his name, shall be given in the manner specified in paragraph 3 hereof.

Briefly, the reasons for the committee's sanctions are set out below.

The committee is of the view that a reprimand is necessary as a specific deterrent to the member and to stress to him the unacceptability of his conduct as a chartered accountant.

As a further demonstration of the seriousness with which the discipline committee views dishonest behavior of the sort displayed by Mr. Norris, he has been fined the sum of \$7,500. This fine is considered to be significant as both a specific deterrent to the member and as a general deterrent to other members of the Institute.

The committee ordered that notice of its decision and order in the manner specified, including disclosure of the member's name, be given as a specific deterrent to the member and as a general deterrent to all members. In addition, the committee considered such notification necessary to demonstrate to the public that the profession is regulating itself so as to retain public confidence in the profession's ability to self-govern.

DATED AT TORONTO, THIS 23rd DAY OF JULY, 1992
BY ORDER OF THE DISCIPLINE COMMITTEE

E.W. SLAVENS, FCA – CHAIR
THE DISCIPLINE COMMITTEE

MEMBERS OF THE PANEL:

K.V. CHERNICK, FCA
F.A. DROZD, FCA
J.J. LONG, CA
P. RAYSON, CA
A. CRANSTON (Public representative)