

Wilfred Joseph Rellinger: Summary, as Published in *CheckMark*

As reported in the August 1984 issue of *Check Mark*, Wilfred Joseph Rellinger, of Waterloo, was suspended pending successful completion, by a specified date, of the CI *CA Handbook* and institute rules of professional conduct examination.

Mr. Rellinger failed to complete this requirement of the discipline committee and has been expelled from membership in the Institute.

CHARGE(S) LAID re Wilfred Joseph Rellinger

The Professional Conduct Committee hereby makes the following charges against Wilfred Joseph Rellinger, C.A., a member of the Institute:

1. THAT, contrary to Rule 206A of the Rules of Professional Conduct, approved June 15, 1981, the said Wilfred Joseph Rellinger, in or about the months of January through May, 1982, being associated with the financial statements of Walden Roofing & Sheet Metal Co. Limited as at December 31, 1981 but not being engaged to express an opinion thereon, failed to comply with the Recommendations related to his engagement as set out in the CICA Handbook at the material time.
2. ~~THAT, contrary to Rule 202 of the Rules of Professional Conduct, approved June 11, 1973, the said Wilfred Joseph Rellinger in or about the months of January through May, 1982, failed. to perform his professional services with due care, in that preparing the income tax return of Walden Roofing & Sheet Metal Co. Limited for the 1981 taxation year he:~~ **(WITHDRAWN BY THE P.C.C. BWS)**
 - ~~(a) based the inventory allowance on the closing rather than the opening inventory;~~ **(WITHDRAWN BY THE P.C.C. BWS)**
 - ~~(b) made the allocation between associated corporations on form T2013 on a basis that was not favourable to Walden Roofing & Sheet Co. Limited and its associated corporation;~~ **(WITHDRAWN BY THE P.C.C. BWS)**
 - ~~(c) miscalculated the manufacturing and processing profits deduction.~~ **(WITHDRAWN BY THE P.C.C. BWS)**
3. THAT, contrary to Rule 206A of the Rules of Professional Conduct, approved June 15, 1981, the said Wilfred Joseph Rellinger, in or about the months of February and March, 1982, being associated with the financial statements of Galt Roofing & Sheet Metal Ontario Ltd. as at January 31, 1982 but not being engaged to express an opinion thereon, failed to comply with the Recommendations related to his engagement as set out in the CICA Handbook at the material time.
4. THAT, contrary to Rule 202 of the Rules of Professional Conduct,, approved June 11, 1973, the said Wilfred Joseph Rellinger, in or about the months of February and March, 1982, failed to perform his professional services with due care, in that he prepared and associated ' himself with unaudited financial statements of Galt Roofing & Sheet Metal Ontario Ltd. as at January 31, 1982 in which the "inventory beginning" in the amount of \$33,825 on the "Trading Profit or Loss Statement" ' was inconsistent with the "inventory beginning" in the amount of \$30,028 on the unmarked statement showing "Taxable Profit for the year" at \$36,901.
5. THAT, contrary to Rule 2068 of the Rules of Professional Conduct, approved June 15, 1981, the said Wilfred Joseph Rellinger, in or about the months of January through May, 1983, being associated with the financial statement of Forwell Super Variety of Waterloo Limited as at December 31,' 1982 but not being engaged to express an opinion thereon, failed to comply with the Recommendations related to his engagement as set out in the CICA Handbook at the material time.

6. THAT, contrary to Rule 202 of the Rules of Professional Conduct, approved June 11, 1973, the said Wilfred Joseph Reltinger, in or about the months of January through May, 1983, failed to perform his professional services with due care, in that he prepared and associated himself with unaudited financial statements of Forwell Super Variety -of Waterloo Limited as at December 31, 1982 in which:
- (i) the "application of ,cash" was not correctly added";
 - (ii) "prepaid taxes" in the amount of \$6,911 was omitted from the "application of cash";
 - (iii) the "increase in accounts payable and liabilities" should have been "decrease in current liabilities";
 - (iv) the "Outlay not requiring cash" should have been "depreciation not involving cash outlay".
7. THAT, contrary to Rule 203 of the Rules of Professional Conduct, approved June 11, 1973, the said Wilfred Joseph Reltinger, in or about the year 1982 failed to sustain his professional competence by keeping himself informed of and complying with developments in professional standards in a function in which he practiced or was relied upon because of his calling, namely, reviewing and commenting on financial statements.

DATED at Toronto this 18th day of October, 1983.

A. Gunn, C.A., Chairman
Professional Conduct Committee

DISCIPLINE COMMITTEE re Wilfred Joseph Rellinger

DECISION AND ORDER IN THE MATTER OF: Charges against WILFRED JOSEPH RELLINGER, CA, a member of the Institute, under Rules 202 and 203 of the Rules of Professional Conduct, approved June 11, 1973, and under Rule 206A of the Rules of Professional Conduct, approved June 15, 1981.

FINAL DECISION AND ORDER MADE JANUARY 11, 1984.

DECISION

THAT, Mr. Rellinger having pleaded guilty to charges Nos. 1, 3, 5, 6 and 7 (charges Nos. 2 and 4 having been withdrawn by the professional conduct committee) and the committee having considered the evidence adduced by Mr. Rowan on behalf of the professional conduct committee and by Mr. Cooper on behalf of Mr. Rellinger, and having accepted the said pleas of guilty, the committee finds Mr. Rellinger guilty of charges Nos. 1, 3, 5, 6 and 7.

ORDER

IT IS ORDERED in respect of the charges:

1. THAT Mr. Rellinger be reprimanded in writing by the ' chairman of the hearing.
2. THAT Mr. Rellinger be and he is hereby charged costs of these proceedings in the total amount of \$350, to be remitted to the Institute not later than twenty-one (21) days from the date his Decision and Order becomes final under the bylaws.
3. THAT, provided the costs specified in paragraph 2 hereof have been remitted, Mr. Rellinger be and he is hereby given a period of thirty (30) days from the date this Decision and Order becomes final under the bylaws, in which to submit to the Institute his formal resignation from membership in the Institute, together with his certificate of membership and an undertaking, executed under seal, not to apply or reapply for membership in the Institute.
4. THAT notice of the final Decision herein and of this Order, disclosing Mr. Rellinger's name, be given after twenty-one (21) days from the date this Decision and Order becomes final under the bylaws, to the Public Accountants Council for the Province of Ontario.
5. THAT notice of the final Decision herein and of this Order, but without disclosing Mr. Rellinger's name, be given after twenty-one (21) days from the date this Decision and Order becomes final under the bylaws:
 - (a) by publication in Check Mark;
 - (b) to the Canadian Institute of Chartered Accountants.
6. THAT in the event Mr. Rellinger remains a member in good standing in the Institute at the expiration of thirty (30) days from the date this Decision and Order becomes final

under the bylaws, he is upon that date suspended from membership in the Institute, and notice of his suspension be forthwith given as specified in paragraph 4 and paragraph 5, subsections (a) and (b) hereof.

7. THAT the suspension of Mr. Rellinger's membership in the Institute, pursuant to paragraph 6 hereof, shall continue until such time as he has written and passed successfully:

- (a) the CICA Handbook and Institute Rules of Professional Conduct examination;

and has completed, by attending in their entirety, the following Institute's professional development courses:

- (b) Handbook Refresher Workshop;
- (c) Review and Non-review Engagements: Sections 8100 & 8200;

or, in the event the professional development courses named in (b) and (c) above are withdrawn, the successor courses . which take their place.

8. THAT in the event-the costs specified in paragraph 2 hereof have not been remitted to the Institute or the terms of paragraph 7 hereof have not been complied with by December 31, 1985, Mr. Rellinger will upon that date be expelled from membership in the Institute, in which event, notice of his expulsion, disclosing his name, be forthwith. given:

- (a) by publication in Check Mark;
- (b) to the Public Accountants Council of the Province of Ontario;
- (c) to the Canadian Institute of Chartered Accountants.

DATED AT TORONTO, THIS 1st DAY OF MARCH, 1984.
BY ORDER OF THE DISCIPLINE COMMITTEE

GEORGE QUILLIN, CA – SECRETARY
THE DISCIPLINE COMMITTEE

DISCIPLINE COMMITTEE re Wilfred Joseph Rellinger

Reasons of the Discipline Committee dealing with charges against WILFRED JOSEPH RELLINGER, C.A.

This proceeding before the Discipline Committee of The Institute of Chartered Accountants of Ontario was convened on January 11, 1984 at 10:00 am. in the council chambers of the Institute. The Professional Conduct Committee laid 7 charges of professional misconduct against Mr. Rellinger in respect of financial statements prepared by him. Two of the charges were withdrawn by the Professional Conduct Committee. Mr. Rellinger pleaded guilty to the 5 remaining charges.

The counsel for the Professional Conduct Committee presented the case of the Professional Conduct Committee calling a witness and adducing evidence. Mr. Cooper, counsel for Mr. Rellinger, then presented Mr. Rellinger's defense.

The Committee considered the evidence adduced and having accepted Mr. Rellinger's plea of guilty, found him guilty of the 5 charges, namely 1, 3, 5, 6 & 7.

Based upon the evidence submitted and Mr. Rellinger's answers to questions put to him while under oath, it became obvious to the Committee that Mr. Rellinger did not keep himself informed of and did not comply with the current developments in the professional standards required of a Chartered Accountant.

Mr. Rellinger stated that he was aware today of the responsibilities of an accountant and auditor. He could not correctly identify the difference between an audit and a non-audit engagement. His answers to questions put to him convinced the Committee that he was not aware of the criteria involved in the work to be performed in audit and non-audit engagements. Accounting and presentation deficiencies were identified in each of the sets of financial statements presented in evidence.

Charges 1, 3, 5 and 6 to which Mr. Rellinger pleaded guilty were related to deficiencies in areas in which Mr. Rellinger should have been knowledgeable.

The Committee has a responsibility to the public and other members of the profession and accordingly ordered that Mr. Rellinger be suspended until he attended certain professional development courses and passed the examination based on the Canadian Institute of Chartered Accountant's Handbook and Institute Rules of Professional Conduct.

The provision of the bylaws which gives the Discipline Committee power not to disclose a disciplined member's name is Bylaw 83(3): .

"83(3) Notice given under this bylaw shall disclose the name of the person disciplined unless the Discipline Committee, the Appeal Committee or the Council, as the case may be, otherwise order."

The bylaw does not specifically refer to any criteria on which the Committee is to base its decision but gives the Committee a broad discretion.

The Committee further ordered that notice of the decision and order disclosing Mr. Rellinger's name be given to the Public Accountants Council for the Province of Ontario. The Committee wanted to make it clear to the Public Accountants Council what Mr. Rellinger's status was in the institute of Chartered Accountants of Ontario and that he could no longer call himself a chartered accountant since he was suspended from membership. Use of the licence would now have to be as a public accountant.

The Discipline Committee did not believe that there would be a benefit in disclosing Mr. Rellinger's name in the notice to be published in Check Mark and given to the Canadian Institute of Chartered Accountants.

Martin H. Landsberg, B.Comm., F.C.A. Deputy
Chairman, Discipline Committee on Behalf of the
Committee Institute of Chartered Accountants of
Ontario