



Notice of Discipline Decision and Order – Judith Cluney, CPA, CA

The Tribunal Decision on the Merits and the Sanctions Decision and Order have been appealed by the Member.

Summary

Following receipt of two Complaints (File No. 21-088 and File No. 21-089) including formal charges both of which are dated March 30, 2022, an Adjudication Tribunal (the “Tribunal”) of the Disciplinary Panel of the Association of Chartered Professional Accountants of Newfoundland and Labrador (the “Association”) held a hearing regarding the conduct of a member of the Association, Judith Cluney (the “Member”), whose registered practice is/was located at Suite 204 - 61 Riverside Drive, Corner Brook, NL.

The events giving rise to the Charges in file No. 21-088 occurred during the period from in or about 2017 to 2020 when the Member was engaged to provide professional services for “SG” and/or her companies. A practice review conducted as a result of the allegation by SG resulted in further charges involving services performed for other clients and alleging failure to co-operate with the practice review.

The events giving rise to the Charges in file No. 21-089 occurred during the period from in or about the summer of 2020 to approximately March 2021 when the Member was subject to a CPA Newfoundland and Labrador Practice Inspection.

The Charges in file No. 21-088 relate to the Member failing to provide documents and other information for the purposes of a practice review on a timely basis or at all. The Charges further relate to the timeliness of the Member in performing tax filing for the 2017 and 2018 taxation years and responding to communications regarding same in a timely manner with respect to her client SG, and further relating to other clients in various taxation years throughout 2017 to 2020, in which services were not provided on a timely basis.

The Charges in File No. 21-089 relate to the Member failing to perform professional services in accordance with generally accepted standards of practice of the profession by not performing compilation engagements in accordance with Section 9200 of the CPA Canada Handbook.

By decision of the Tribunal, dated May 12th, 2023, the member was found guilty of breaches of the following CPA Rules of Professional Conduct:

File No. 21-088

- Rule 104.2 of the *CPA Rules of Professional Conduct* in that she failed to provide documents and other information for the purposes of practice review on a timely basis or at all.
- Rule 206.1 of the *CPA Rules of Professional Conduct* in that she failed to perform the agreed to professional services in accordance with generally accepted standards of practice of the profession, which would include an expectation that year ends be completed in a timely manner.
- Rule 206.1 of the *CPA Rules of Professional Conduct*, in that the Member failed to provide professional services that she was engaged to perform for five of her clients in various taxation years throughout 2017 to 2020, on a timely basis.

File No. 21-089

- Rule 206.1 of the *CPA Rules of Professional Conduct* in that she failed to perform professional services in accordance with generally accepted standards of practice of the profession by not performing compilation engagements in accordance with Section 9200 of the *CPA Canada Handbook*.

Sanctions

By a written decision, dated July 31st, 2023, the Tribunal ordered the following sanctions:

1. A written reprimand shall be placed on the Member's file with the Association;
2. The Member shall provide the Association with a list of clients that she currently has within ten (10) days of the date of this Decision and Order;
3. A Monitor shall be appointed by the Association for a period of twelve (12) months following the date of this Decision and Order, at the Member's expense. The expenses of the Monitor shall be paid by the Member to the Monitor as they are incurred;
4. The Monitor appointed by the Association for the Member will perform periodic random review of files, in documentary and electronic form as applicable, and the Monitor will provide reports to the Association with the following information:
 - whether work is being completed in accordance with the timeline established with the client;
 - whether inquiries from clients are responded to in a timely and appropriate manner; and
 - whether any request from a client to transition files to a successor accountant has been appropriately actioned within forty-five (45) days of the request.

5. A summary of the Decision and Order of the Tribunal disclosing the Member's name, Judith Cluney, is to be published in the form and manner as set out in the Act, and shall be made available to the public. Notice of the summary of the Decision and Order shall also to be provided:
 - directly to all current clients of the Member;
 - to all members of the Association; and
 - to all provincial and territorial accounting regulatory bodies;
6. The Member shall pay a fine to the Association in the amount of \$2,500.00, to be paid within ninety (90) days of the date of this Decision and Order;

AND THAT:

7. The Member shall pay costs to the Association in the amount of \$15,000.00, to be paid within ninety (90) days of the date of this Decision and Order; and
8. The failure of the Member to comply with any of the terms of the Tribunal's Decision and Order will result in suspension of her membership in the Association until she does comply, provided that the Member complies within 30 days of the suspension. Failure to comply within 30 days of suspension will result in revocation of membership of the Member with notice of the revocation to be published in a newspaper of general circulation in Corner Brook and in Newfoundland and Labrador and on the Association's website, with the costs of the publication to be borne by the Member. Such notice will also be provided to all current clients of the Member, all members of the Association and all provincial and territorial accounting regulatory bodies.