

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, C.S.5, AS AMENDED**

- AND -

IN THE MATTER OF ANDREW CAMPBELL

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission ("Staff") make the following allegations:

I. THE RESPONDENT

1. At all relevant times, Andrew Campbell ("Campbell") was a chartered accountant who provided audit services as a sole proprietor.
2. At all relevant times, Campbell was the auditor for several reporting issuers in Ontario as defined in section 1.1 of the Act.

II. FAILURE TO REGISTER

3. Effective March 30, 2004, Canadian Securities Administrators' National Instrument 52-108 Auditor Oversight ("NI 52-108"), requires the auditor of a reporting issuer to obtain registration with the Canadian Public Accountability Board ("CPAB") by becoming a "participating audit firm" as defined in section 1.1 of NI 52-108.

2.

4. CPAB is an independent public body that reviews and monitors practice requirements for auditors of reporting issuers.
5. Prior to March 30, 2004, CPAB notified Campbell of NI 52-108 and the requirement for CPAB registration.
6. Campbell failed to obtain CPAB registration. Between March 31, 2004 and May 17, 2004, Campbell prepared an auditor's report for six reporting issuers in Ontario. For preparing these auditor's reports, Campbell was paid approximately \$10,000.
7. To comply with section 2.2 of NI 52-108, the six reporting issuers must have their financial statements audited by a CPAB registered auditor. Two of the reporting issuers will restate their financial statements.

III. STAFF'S POSITION

8. By failing to obtain CPAB registration before preparing auditor's reports for six reporting issuers in Ontario, Campbell has repeatedly breached Ontario securities law and engaged in conduct contrary to the public interest.

DATED AT TORONTO this 21st day of December, 2004