ORDER INSTITUTING DISCIPLINARY PROCEEDINGS, MAKING FINDINGS AND IMPOSING SANCTIONS

In the Matter of VanDuyne, Bruno & Co., P.A., Anthony Bruno, CPA, and Jack Gutierrez, CPA,

Respondents.

PCAOB Release No. 105-2017-044

November 28, 2017

By this Order, the Public Company Accounting Oversight Board (the "Board" or "PCAOB") is (1) censuring VanDuyne, Bruno & Co., P.A. ("Firm"), a registered public accounting firm, revoking the Firm's registration,¹ and imposing a civil money penalty in the amount of $10,000 upon the Firm; (2) censuring Anthony Bruno, CPA ("Bruno") and barring him from being an associated person of a registered public accounting firm;² and (3) censuring Jack Gutierrez, CPA ("Gutierrez") and barring him from being an associated person of a registered public accounting firm.³ The Board is imposing these sanctions on the basis of its findings that the Firm, Bruno and Gutierrez repeatedly violated PCAOB rules and standards in connection with their audit of the financial statements and supplemental information of Blue Vase Securities, LLC, a broker-dealer, for the year ended December 31, 2015.

I.

The Board deems it necessary and appropriate, for the protection of investors and to further the public interest in the preparation of informative, accurate, and independent audit reports, that disciplinary proceedings be, and hereby are, instituted pursuant to Section 105(c) of the Act and PCAOB Rule 5200(a)(1) against Respondents.

¹ The Firm may reapply for registration after two (2) years from the date of this Order.

² Bruno may file a petition for Board consent to associate with a registered public accounting firm after two (2) years from the date of this Order.

³ Gutierrez may file a petition for Board consent to associate with a registered public accounting firm after one (1) year from the date of this Order.
II. In anticipation of institution of these proceedings, and pursuant to PCAOB Rule 5205, Respondents have each submitted an Offer of Settlement ("Offers") that the Board has determined to accept. Solely for purposes of these proceedings and any other proceedings brought by or on behalf of the Board, or to which the Board is a party, and without admitting or denying the findings herein, except as to the Board's jurisdiction over Respondents and the subject matter of these proceedings, which is admitted, Respondents consent to entry of this Order Instituting Disciplinary Proceedings, Making Findings and Imposing Sanctions ("Order") as set forth below.4

III. On the basis of Respondents' Offers, the Board finds that:5

A. Respondents

1. VanDuyne, Bruno & Co., P.A. is a professional association organized under the laws of New Jersey, and headquartered in Pine Brook, New Jersey. The Firm registered with the Board on September 29, 2009, pursuant to Section 102 of the Act and PCAOB rules. The Firm holds an accountancy license issued by the State of New Jersey (Lic. No. 20CB00141000). At all relevant times, the Firm was the external auditor of the 2015 financial statements of Blue Vase Securities, LLC ("BVS"), with Bruno serving as the engagement partner and Gutierrez serving as the engagement quality reviewer. At the time of the BVS audit, the Firm had four broker-dealer audit clients for which Bruno served as the engagement partner and Gutierrez as the EQR. The Firm had three other principals who provided tax and consulting services, but did not perform audit work.

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4 The findings herein are made pursuant to Respondents' Offers and are not binding on any other persons or entities in this or any other proceeding.

5 The Board finds that Respondents' conduct described in this Order meets the conditions set out in Section 105(c)(5) of the Act, 15 U.S.C. § 7215(c)(5), which provides that certain sanctions may be imposed in the event of (1) intentional or knowing conduct, including reckless conduct, that results in a violation of the applicable statutory, regulatory, or professional standard; or (2) repeated instances of negligent conduct, each resulting in a violation of the applicable statutory, regulatory, or professional standard.
ORDER

2. Anthony Bruno, CPA, age 56, of Pine Brook, New Jersey, is, and at all relevant times was, a principal of the Firm and a certified public accountant licensed by the State of New Jersey (Lic. No. 20CC02167900) and the State of New York (Lic. No. 055755). Bruno was the engagement partner for the Firm's audit of BVS's 2015 financial statements. Bruno is, and at all relevant times was, an associated person of a registered public accounting firm as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).

3. Jack Gutierrez, CPA, age 62, of Ramsey, New Jersey, is, and at all relevant times was, employed by the Firm until he became a principal in December 2016. Gutierrez is a certified public accountant licensed by the State of Florida (Lic. No. AC36025) and the State of New York (Lic. No. 041860). Gutierrez served as the engagement quality reviewer for the Firm's audit of BVS's 2015 financial statements. He is, and at all relevant times was, an associated person of a registered public accounting firm as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i).

B. Summary

4. This matter concerns the Firm's failure to comply with auditor independence requirements in connection with the Firm's audit of the 2015 financial statements of BVS, a broker-dealer. As detailed below, the Firm was not independent of BVS under auditor independence criteria established by the U.S. Securities and Exchange Commission ("Commission") and made applicable by Exchange Act Rule 17a-5(f)(1) to audits of brokers and dealers. Bruno authorized the issuance of the 2015 audit report, notwithstanding his knowledge that the Firm had prepared BVS's financial statements. As a result, the Firm violated PCAOB Rule 3520, Auditor Independence, by failing to satisfy the independence criteria applicable to the engagement, including the criteria set out in Rule 2-01(c)(4)(i) of the Commission's Regulation S-X, and AU § 220, Independence. Bruno directly and substantially contributed to the Firm's violation of

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6 Exchange Act Rule 17a-5, referenced throughout this Order as "Rule 17a-5" is found at 17 C.F.R. § 240.17a-5.

7 All references to PCAOB rules and standards are to the versions of those rules and standards in effect at the time of the relevant audit. As of December 31, 2016, the PCAOB reorganized its auditing standards using a topical structure and a single, integrated numbering system. See Reorganization of PCAOB Auditing Standards and Related Amendments to PCAOB Standards and Rules, PCAOB Release No. 2015-002 (Mar. 31, 2015); see also PCAOB Auditing Standards Reorganized and Pre-Reorganized Numbering (January 2017), https://pcaobus.org/Standards/Auditing/Documents/ReorganizedandPreReorganizedNumbering.pdf.
applicable independence requirements, in violation of PCAOB Rule 3502, Responsibility Not to Knowingly or Recklessly Contribute to Violations.

5. This matter also concerns the Firm's and Bruno's violations of PCAOB rules and standards in connection with their audit of BVS's 2015 financial statements and accompanying supporting schedule (the "Audit"). As detailed below, among other things, they failed to exercise due professional care and professional skepticism, to obtain sufficient appropriate audit evidence to support the Firm's audit opinion on BVS's financial statements and supporting schedule, and to comply with the audit documentation requirements of Auditing Standard No. 3, Audit Documentation ("AS 3").

6. The matter also concerns the Firm's and Bruno's violation of Auditing Standard No. 17, Auditing Supplemental Information Accompanying Audited Financial Statements ("AS 17"), because of their failure to perform adequate procedures on the supplemental information, namely BVS's net capital computation.8

7. Additionally, in connection with the above Audit, Gutierrez violated Auditing Standard No. 7, Engagement Quality Review ("AS 7"), by providing his concurring approval of issuance without performing the required engagement quality review with due professional care.

C. The Firm and Bruno Violated PCAOB Rules and Auditing Standards

Independence Violations

8. At all relevant times, BVS was a Delaware limited liability company with its principal place of business in Rhinebeck, New York. BVS's public filings disclosed that it was registered as a broker-dealer with the Commission and was a member of the Financial Industry Regulatory Authority. BVS was primarily engaged in transactions on the secondary markets for equities and equity options and claimed an exemption under Exchange Act Rule 15c3-3 (the Customer Protection Rule). At all relevant times, BVS was a "broker" and "dealer," as defined in Section 110(3) and (4) of the Act and PCAOB Rule 1001(b)(iii) and (d)(iii).

9. Rule 17a-5(d)(1) requires, among other things, that every broker or dealer registered under Section 15 of the Securities Exchange Act of 1934 file annually a financial report audited by an independent public accountant. Rule 17a-5(d)(2) requires

8 See 17 C.F.R. § 240.15c3-1, Net Capital Requirements for Brokers or Dealers ("Rule 15c3-1").
ORDER

that the financial report filed by a registered broker or dealer contain, among other things, certain financial statements: a Statement of Financial Condition, a Statement of Income, a Statement of Cash Flows, a Statement of Changes in Stockholders' or Partners' or Sole Proprietor's Equity, and a Statement of Changes in Liabilities Subordinated to Claims of General Creditors. Rule 17a-5(d)(2)(ii) requires that the financial report contain certain supporting schedules, including a net capital computation.

10. Rule 17a-5(g) requires that an independent public accountant prepare a report based on an examination of the financial report required to be filed by the broker or dealer under Rule 17a-5(d) in accordance with PCAOB standards.

11. PCAOB rules require that a registered public accounting firm and its associated persons comply with the Board's auditing and related professional practice standards.\(^9\) PCAOB rules and standards also require a registered public accounting firm and its associated persons be independent of the firm's audit client throughout the audit and professional engagement period,\(^10\) and includes the obligation to satisfy the independence criteria set out in the rules and regulations of the Commission under the federal securities laws.\(^11\)

12. Pursuant to Rule 17a-5(f)(1), certain of the Commission's auditor independence criteria described in Rule 2-01 of Regulation S-X\(^12\) apply to audits of brokers and dealers.\(^13\) The applicable provisions include Rule 2-01(c)(4), which states in part:

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\(^9\) PCAOB Rule 3100, Compliance with Auditing and Related Professional Practice Standards; PCAOB Rule 3200T, Interim Auditing Standards.

\(^10\) See PCAOB Rule 3520; AU § 220.

\(^11\) See PCAOB Rule 3520, Note 1.

\(^12\) 17 C.F.R. § 210.2-01.

\(^13\) Not all independence criteria described in Rule 2-01(c) apply to audits of brokers and dealers. As the Commission has explained, those audits "are not subject to the partner rotation requirements or the compensation requirements of the Commission's independence rules [Rules 2-01(c)(6) and (c)(8)] because the statute mandating those requirements is limited to issuers," and they "are not subject to the audit committee pre-approval requirements or the cooling-off period requirements for
ORDER

An accountant is not independent if, at any point during the audit and professional engagement period, the accountant provides the following non-audit services to an audit client:

(i) **Bookkeeping or other services related to the accounting records or financial statements of the audit client.** Any service, unless it is reasonable to conclude that the results of these services will not be subject to audit procedures during an audit of the audit client's financial statements, including:

    * * *

(B) Preparing the audit client's financial statements that are filed with the Commission or that form the basis of financial statements filed with the Commission . . . .

13. During the 2015 audit and professional engagement period, Firm staff obtained data BVS maintained in its accounting system and entered the information into a template to create BVS's financial statements. Firm staff also used the accounting records obtained from BVS to draft the notes to the financial statements. The 2015 financial statements, including the accompanying notes, all prepared by Firm staff, were filed by BVS with the Commission.

14. As a result of the Firm's preparation of BVS's financial statements and accompanying notes, the Firm was not independent of BVS under the independence criteria established by the Commission in Rule 2-01(c)(4) of Regulation S-X, which Rule 17a-5 made applicable to the Audit. As the Commission explained in adopting Rule 2-01(c)(4), providing such services for an audit client "impairs the auditor's independence because the auditor will be placed in the position of auditing the firm's work when auditing the client's financial statements. . . . In addition, keeping the books is a management function, the performance of which leads to an inappropriate mutuality of interests between the auditor and the audit client."\(^{14}\) The Firm consequently violated PCAOB Rule 3520 and AU § 220 in connection with the Audit.

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15. Firm staff prepared BVS's financial statements under Bruno's supervision, and Bruno authorized the issuance of the Audit Report, when he knew or should have known that such activities would impair the Firm's independence. Through his actions, Bruno directly and substantially contributed to the Firm's violation of the applicable independence requirements, in violation of PCAOB Rule 3502.

Audit Violations

16. For audits of fiscal years on or after June 1, 2014, Rule 17a-5(g) requires that audits of broker-dealers be performed in accordance with PCAOB standards. An auditor may express an unqualified opinion on financial statements only when the auditor has formed such an opinion on the basis of an audit performed in accordance with PCAOB standards. Among other things, PCAOB standards require an auditor to exercise due professional care and professional skepticism in performing the audit, and plan and perform audit procedures to obtain sufficient appropriate audit evidence to afford a reasonable basis for an opinion regarding the financial statements.

17. PCAOB standards also require the auditor to perform risk assessment procedures sufficient to provide a reasonable basis for identifying and assessing the risks of material misstatement, whether due to error or fraud, and designing further audit procedures. The auditor should presume there is a fraud risk involving improper revenue recognition and evaluate which types of revenue, revenue transactions, or assertions may give rise to such risks. In addition, the auditor's assessment of the risks of material misstatement, including fraud risks, should continue throughout the audit.

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15 See AU § 508.07, Reports on Audited Financial Statements.

16 See AU § 150, Generally Accepted Auditing Standards; AU § 230, Due Professional Care in the Performance of Work; and Auditing Standard No. 15, Audit Evidence (“AS 15”).


18 See AS 12 ¶ 68.

19 See AS 12 ¶ 74.
The auditor should also perform substantive procedures, including tests of details that are specifically responsive to the assessed fraud risks.\textsuperscript{20}

18. PCAOB standards provide that, when an auditor uses information produced by the audit client as audit evidence, the auditor should evaluate whether the information is sufficient and appropriate for purposes of the audit by performing procedures to test the accuracy and completeness of the information, or test the controls over the accuracy and completeness of that information.\textsuperscript{21} PCAOB standards also require that sample items should be selected in such a way that the sample can be expected to be representative of the population and all items in the population should have an opportunity to be selected.\textsuperscript{22} If audit evidence obtained from one source is inconsistent with that obtained from another, or if the auditor has doubts about the reliability of the information to be used as audit evidence, the auditor should perform the audit procedures necessary to resolve the matter and should determine the effect, if any, on other aspects of the audit.\textsuperscript{23}

19. PCAOB standards also require that, when the auditor is engaged to audit supplemental information accompanying the financial statements, the auditor should perform audit procedures to obtain appropriate audit evidence that is sufficient to support the auditor’s opinion regarding whether the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.\textsuperscript{24} In performing the audit procedures on supplemental information, the auditor should perform procedures to test the accuracy and completeness of the information presented in the supplemental information to the extent that it was not tested as part of the audit of financial statements.\textsuperscript{25}


\textsuperscript{21} See AS 15 ¶ 10.

\textsuperscript{22} See AU § 350.24, Audit Sampling.

\textsuperscript{23} See AS 15 ¶ 29.

\textsuperscript{24} See AS 17 ¶¶ 2-3.

\textsuperscript{25} Id. ¶ 4(e).
ORDER

20. As described below, the Firm and Bruno failed to comply with PCAOB rules and standards in connection with the Audit.

21. On February 24, 2016, BVS filed with the Commission a Form X-17A-5 Part III for the year ended December 31, 2015. Included in that filing was the Firm's audit report dated February 1, 2016 ("Audit Report"). Bruno authorized the Firm's issuance of the Audit Report, which expressed an unqualified opinion on BVS's financial statements and supporting schedule, and stated, among other things, that the Firm's audit was conducted in accordance with PCAOB standards. Gutierrez, as the engagement quality reviewer, provided concurring approval of issuance of the Audit Report.

22. As of YE 2015, BVS reported assets of approximately $716,000, and revenues and accounts receivable ("AR") of approximately $2.4 million and $503,000, respectively. BVS's revenue and AR included approximately $1.5 million of commission income and $417,000 of AR, respectively, from its largest customer.

23. During audit planning, the Firm and Bruno identified the risk of improper entry of invoices from customers as a significant risk in auditing revenue and AR but they failed to presume there is a fraud risk involving improper revenue recognition. Consequently, they failed to evaluate which types of revenue, revenue transactions or assertions may give rise to such risks, which is inconsistent with PCAOB requirements.26

24. BVS earned almost all of its revenue in 2015 from commission income. First, the Firm and Bruno selected transactions with only the largest customer to test commission income. Then, from management's schedule listing the monthly commission income from the largest customer for the entire year, they selected for testing only the November and December commission income which was not representative of the entire population. With this sampling approach, the Firm and Bruno excluded approximately $2 million or 83% of the aggregate commission income transactions from possible selection for testing. As a result, the Firm and Bruno violated AU § 350.

25. The Firm and Bruno also failed to evaluate whether information produced by management was sufficient and appropriate as audit evidence. For example, they agreed management's revenue summary schedule to other management produced information without performing procedures to test the accuracy and completeness of the information produced by BVS.

26 See AS 12 ¶ 68.
ORDER

26. The Firm and Bruno also ignored red flags regarding the accuracy of BVS’s revenue at year end. On January 29, 2016, the engagement team became aware the largest customer had retroactively reduced the commission rate paid to BVS, which would affect the December 2015 invoice and could significantly reduce BVS’s commission income. They failed to perform any audit procedures to resolve the inconsistency between the amount of the December commission income as tested and the information related to the retroactive reduction to the commission income. As a result, the Firm and Bruno violated AS 15 ¶ 29.

27. On April 5, 2016, BVS’s management restated the financial statements to reflect the reduction in the December commission income due to the retroactive change in the commission rate of approximately $177,000. That same day, the Firm and Bruno failed to perform any procedures other than obtaining a management representation and reissued the Audit Report, reflecting the $177,000 reduction in revenue.

AS 17 Violations

28. Rule 17a-5 required BVS to file a supporting schedule, audited by a PCAOB-registered firm, setting forth its net capital computation.27 Auditing Standard No. 17 provides that the objective of the auditor of the financial statements, when engaged to perform audit procedures and report on supplemental information that accompanies audited financial statements, is to obtain sufficient appropriate audit evidence to express an opinion on whether the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.28 The nature, timing, and extent of audit procedures necessary to obtain sufficient appropriate audit evidence and to report on the supplemental information depends on, among other things, the risk of material misstatement of the supplemental information.29

29. AS 17 also require the auditor’s report on supplemental information accompanying audited financial statements should include a statement that the audit procedures performed included determining whether the supplemental information reconciles to the financial statements or underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the

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27 See Rule 17a-5(d)(1)(i), (2), (3) and (4).
28 See AS 17 ¶ 2.
29 See AS 17 ¶ 3(a).
information presented in the supplemental information. The auditor's report should also include a statement that, in forming the auditor's opinion, the auditor evaluated whether the supplemental information, including its form and content, complies, in all material respects, with the specified regulatory requirements or other applicable criteria.

30. The Firm and Bruno failed to obtain sufficient appropriate audit evidence regarding the supplemental information in the supporting schedule – Statement of Net Capital pursuant to SEC Rule 15c3-1 – that accompanied BVS's 2015 financial statements. In performing procedures to report on BVS’s net capital computation, the Firm and Bruno failed to identify and assess the risk of material misstatements in order to determine the nature, timing, and extent of the audit procedures necessary to obtain sufficient appropriate audit evidence to support its report on BVS's supporting schedule, including the report on BVS's compliance with Commission rules requiring BVS to maintain a sufficient amount of net capital liquidity ("Net Capital Rule"). The engagement team relied on management's representations and failed to perform any procedures to determine whether BVS's assessment of allowable and non-allowable assets included in BVS's net capital computation and BVS's reported minimum net capital requirement complied with the Net Capital Rule.

31. The Firm's audit report on BVS's financial statements and supporting schedule failed to include statements that (a) the audit procedures performed included testing the completeness and accuracy of the information presented in the supplemental information and (b) the auditor, in forming the auditor's opinion, evaluated whether the supplemental information, including its form and content, complied in all material respects with Rule 17a-5.

32. As a result, the Firm and Bruno violated AS 17.

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30  See AS 17 ¶ 10(d).

31  See AS 17 ¶ 10(e).

32  See 17 C.F.R. § 240.15c3-1, Net Capital Requirements for Brokers or Dealers ("Rule 15c3-1" or the "Net Capital Rule").
ORDER

Audit Documentation Violations

33. The PCAOB’s audit documentation standard, AS 3, requires, among other things, that a complete and final set of audit documentation be assembled for retention by the “documentation completion date”, a date no later than 45 days from the date on which the auditor grants permission to use its report. The standard also requires the auditor to identify all significant findings or issues in an engagement completion document.33

34. The Firm and Bruno violated AS 3 by failing to (a) prepare an engagement completion document and (b) assemble a complete and final set of audit documentation by the documentation completion date.

D. Gutierrez Violated PCAOB Rules and Auditing Standards in Connection with the Engagement Quality Review for the Audit

35. Auditing Standard No. 7, Engagement Quality Review, requires that an engagement quality review be performed on all audits, interim reviews, and attestation engagements conducted pursuant to PCAOB standards.34

36. Moreover, under AS 7, the engagement quality reviewer may provide concurring approval of issuance for an audit report only if, after performing with due professional care the review required by AS 7, he or she is not aware of a significant engagement deficiency.35 AS 7 states that a significant engagement deficiency in an audit exists under any of the following four circumstances: “(1) the engagement team failed to obtain sufficient appropriate evidence in accordance with the standards of the PCAOB, (2) the engagement team reached an inappropriate overall conclusion on the subject matter of the engagement, (3) the engagement report is not appropriate in the circumstances, or (4) the firm is not independent of its client.”36

37. An engagement quality reviewer should review the engagement team’s evaluation of the firm’s independence in relation to the engagement.37 The engagement

33  See AS 3 ¶ 13.
34  See AS 7 ¶ 1.
35  Id. ¶¶ 12, 18B.
36  Id. ¶ 12, Note.
37  Id. ¶ 10(d).
quality reviewer should also evaluate the significant judgments made by the engagement team and the related conclusions reached in forming the overall conclusion on the engagement and in preparing the engagement report.\(^{38}\) In performing an engagement quality review for an audit, the engagement quality reviewer should, among other things, evaluate the engagement team's assessment of, and audit responses to, significant risks, including fraud risks, identified by the engagement team or other significant risks identified by the engagement quality reviewer.\(^{39}\) The engagement quality reviewer should also evaluate whether the engagement documentation that he or she reviewed indicates that the engagement team responded appropriately to significant risks and whether the engagement documentation reviewed supports the conclusions reached by the engagement team with respect to matters reviewed.\(^{40}\) Finally, the engagement quality reviewer should review the engagement completion document.\(^{41}\)

38. In performing the engagement quality review, Gutierrez failed to properly evaluate the significant judgments made, and the related conclusions reached, by the engagement team with respect to significant areas of the Audit, including risk assessment, revenue, accounts receivable, and auditor independence.

39. First, Gutierrez failed to review the engagement team's evaluation of the firm's independence with respect to this engagement.\(^{42}\) The evaluation included information indicating that the Firm prepared BVS's financial statements during the 2015 audit and professional engagement period which impaired the Firm's independence.

40. Second, Gutierrez failed to properly evaluate the significant judgments made, and the related conclusions reached, by the engagement team with respect to risk assessment.\(^{43}\) For example, Gutierrez failed to identify the engagement team's failure to presume improper revenue recognition as a fraud risk, or that risk assessment procedures should be performed on BVS's supplemental information. He also failed to

\(^{38}\) Id. ¶¶ 9, 18A.

\(^{39}\) Id. ¶ 10(b).

\(^{40}\) Id. ¶ 11.

\(^{41}\) Id. ¶¶ 10(e), 18A.

\(^{42}\) Id. ¶ 10(d).

\(^{43}\) Id. ¶ 10(b).
evaluate whether the engagement documentation he reviewed indicated that (a) the engagement team responded appropriately to the significant risks; and (b) supported the conclusions reached by the engagement team.44

41. Third, Gutierrez failed to properly evaluate the significant judgments made and related conclusions reached, by the engagement team with respect to revenue and AR.45 Gutierrez failed to review the audit procedures performed with respect to revenue and AR. Indeed, the sole evidence in the Firm’s audit file of any work performed by Gutierrez is a Supervision, Review, and Approval Form. This work paper is simply a checklist in which Gutierrez checked "Yes" to 7 statements that referenced AICPA Quality Control Standards with no references to other work papers or to PCAOB engagement quality review standards.

42. Gutierrez provided his concurring approval of issuance without performing the engagement quality review with due professional care and, accordingly, violated AS 7.

IV.

In view of the foregoing, and to protect the interests of investors and further the public interest in the preparation of informative, accurate, and independent audit reports, the Board determines it appropriate to impose the sanctions agreed to in Respondents’ Offers. Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 105(c)(4)(E) of the Act and PCAOB Rule 5300(a)(5), VanDuyne Bruno & Co., P.A., Anthony Bruno, CPA, and Jack Gutierrez CPA, are hereby censured;

B. Pursuant to Section 105(c)(4)(A) of the Act and PCAOB Rule 5300(a)(1), the registration of VanDuyne Bruno & Co., P.A. is revoked;

C. After two (2) years from the date of this Order, VanDuyne Bruno & Co., P.A. may reapply for registration by filing an application pursuant to PCAOB Rule 2101;

44 Id. ¶ 11.

45 Id. ¶ 10(a).
ORDER

D. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Anthony Bruno, CPA is barred from being an associated person of a registered public accounting firm, as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i);\(^{46}\)

E. After two (2) years from the date of this Order, Anthony Bruno, CPA may file a petition, pursuant to PCAOB Rule 5302(b), for Board consent to associate with a registered public accounting firm;

F. Pursuant to Section 105(c)(4)(B) of the Act and PCAOB Rule 5300(a)(2), Jack Gutierrez, CPA is barred from being an associated person of a registered public accounting firm, as that term is defined in Section 2(a)(9) of the Act and PCAOB Rule 1001(p)(i);\(^{47}\)

G. After one (1) year from the date of this Order, Jack Gutierrez, CPA may file a petition, pursuant to PCAOB Rule 5302(b), for Board consent to associate with a registered public accounting firm;

H. Pursuant to Section 105(c)(4)(D) of the Act and PCAOB Rule 5300(a)(4), a civil money penalty in the amount of $10,000 is imposed upon VanDuyne Bruno & Co., P.A. All funds collected by the Board as a result of the assessment of this civil money penalty will be used in accordance

\(^{46}\) As a consequence of the bar, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Bruno. Section 105(c)(7)(B) of the Act provides that "[i]t shall be unlawful for any person that is suspended or barred from being associated with a registered public accounting firm under this subsection willfully to become or remain associated with any issuer, broker, or dealer in an accountancy or a financial management capacity, and for any issuer, broker, or dealer that knew, or in the exercise of reasonable care should have known, of such suspension or bar, to permit such an association, without the consent of the Board or the Commission."

\(^{47}\) As a consequence of the bar, the provisions of Section 105(c)(7)(B) of the Act will apply with respect to Gutierrez. Section 105(c)(7)(B) of the Act provides that "[i]t shall be unlawful for any person that is suspended or barred from being associated with a registered public accounting firm under this subsection willfully to become or remain associated with any issuer, broker, or dealer in an accountancy or a financial management capacity, and for any issuer, broker, or dealer that knew, or in the exercise of reasonable care should have known, of such suspension or bar, to permit such an association, without the consent of the Board or the Commission."
with Section 109(c)(2) of the Act. VanDuyne Bruno & Co., P.A. shall pay the civil money penalty within 10 days of the issuance of this Order by (1) wire transfer in accordance with instructions furnished by Board staff; or (2) United States Postal Service money order, bank money order, certified check, or bank cashier's check (a) made payable to the Public Company Accounting Oversight Board, (b) delivered to the Controller, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006, and (c) submitted under a cover letter, which identifies the payor as a respondent in these proceedings, sets forth the title and PCAOB release number of these proceedings, and states that payment is made pursuant to this Order, a copy of which cover letter and money order or check shall be sent to Office of the Secretary, Attention: Phoebe W. Brown, Secretary, Public Company Accounting Oversight Board, 1666 K Street, N.W., Washington D.C. 20006.

ISSUED BY THE BOARD.

/s/ Phoebe W. Brown

Phoebe W. Brown
Secretary

November 28, 2017