

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86903 / September 9, 2019

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 4072 / September 9, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-17651

_____ : ORDER GRANTING APPLICATION FOR
: REINSTATEMENT TO APPEAR AND PRACTICE
In the Matter of : BEFORE THE COMMISSION AS AN ACCOUNTANT
: RESPONSIBLE FOR THE PREPARATION OR
Adrian D. Beamish, CPA : REVIEW OF FINANCIAL STATEMENTS REQUIRED
: TO BE FILED WITH THE COMMISSION AND AS AN
_____ : INDEPENDENT ACCOUNTANT

On September 7, 2017, Adrian D. Beamish, CPA (“Beamish”) was denied the privilege of appearing or practicing before the Commission as an accountant as a result of settled public administrative proceedings instituted by the Commission against Beamish pursuant to Rule 102(e)(1) of the Commission’s Rules of Practice.¹ This order is issued in response to Beamish’s application for reinstatement to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission (other than as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Securities Exchange Act of 1934 (“Exchange Act”)) and as an independent accountant.

The Commission’s order found that Beamish engaged in improper professional conduct during PricewaterhouseCoopers LLP’s audits of Burrill Life Sciences Capital Fund III, LP’s 2009, 2010, 2011, and 2012 year-end financial statements. Beginning in 2009, Beamish became aware that the fund’s founder had arranged for the fund to pre-pay millions of dollars in purported management fees to the fund’s management company that the founder owned and controlled. Beamish failed to inquire whether the management company had the authority to take the unusual payments, nor did he scrutinize the rationale for the payments. Despite a growing advanced management fee balance, and Beamish’s own audit team’s suggested financial disclosure language being rejected by management, the Commission found that Beamish improperly signed audit reports with unqualified audit opinions. In addition, the fund’s financial

¹ See Accounting and Auditing Enforcement Release No. 3892 dated September 7, 2017. Beamish was permitted, pursuant to the order, to apply for reinstatement after one year upon making certain showings.

statements did not comply with Generally Accepted Accounting Principles. Further, Beamish relied upon unreasonable bases as the supposed means for repayment of the advanced management fee balance.

Beamish has met all of the conditions set forth in the original order and, in his capacity as an independent accountant, has stated that he will comply with all requirements of the Commission and the Public Company Accounting Oversight Board, including, but not limited to all requirements relating to registration, inspections, concurring partner reviews and quality control standards. In his capacity as a preparer or reviewer, or as a person responsible for the preparation or review, of financial statements of a public company to be filed with the Commission, other than as a member of an audit committee, Beamish attests that he will undertake to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, while practicing before the Commission in this capacity.

Beamish is not, at this time, seeking to appear or practice before the Commission as a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission as a member of an audit committee, as that term is defined in Section 3(a)(58) of the Exchange Act. If he should wish to resume appearing and practicing before the Commission in this role, he will be required to submit an application to the Commission showing that he has complied and will comply with the terms of the original suspension order in this regard. Therefore, Beamish's suspension from practice before the Commission as a preparer or reviewer, or a person responsible for the preparation or review, of any public company's financial statements that are filed with the Commission as a member of an audit committee continues in effect until the Commission determines that a sufficient showing has been made in this regard in accordance with the terms of the original suspension order.

Beamish is currently subject to probation under the California State Board of Accountancy. Failure to abide by the terms of his probation could result in the suspension of Beamish's CPA license. Beamish has attested that he will notify the Commission if he is found to have violated the terms of the probation. He also has attested that he understands that the suspension of his CPA license could result in the revocation of the reinstatement of his privilege to appear or practice before the Commission as an accountant.

Rule 102(e)(5) of the Commission's Rules of Practice governs applications for reinstatement, and provides that the Commission may reinstate the privilege to appear and practice before the Commission "for good cause shown."² This "good cause" determination is necessarily highly fact specific.

² Rule 102(e)(5)(i) provides:

"An application for reinstatement of a person permanently suspended or disqualified under paragraph (e)(1) or (e)(3) of this rule may be made at any time, and the applicant may, in the Commission's discretion, be afforded a hearing; however, the suspension or disqualification shall continue unless and until the applicant has been reinstated by the Commission for good cause shown." 17 C.F.R. § 201.102(e)(5)(i).

On the basis of the information supplied, representations made, and undertakings agreed to by Beamish, it appears that he has complied with the terms of the September 7, 2017 order denying him the privilege of appearing or practicing before the Commission as an accountant, that no information has come to the attention of the Commission relating to his character, integrity, professional conduct, or qualifications to practice before the Commission that would be a basis for adverse action against him pursuant to Rule 102(e) of the Commission's Rules of Practice, and that Beamish, by undertaking to have his work reviewed by the independent audit committee of any company for which he works, or in some other manner acceptable to the Commission, in his practice before the Commission as a preparer or reviewer of financial statements required to be filed with the Commission, and that Beamish, by undertaking to comply with all requirements of the Commission and the Public Company Accounting Oversight Board, including, but not limited to, all requirements relating to registration, inspections, concurring partner reviews and quality control standards, in his practice before the Commission as an independent accountant has shown good cause for reinstatement. Therefore, it is accordingly,

ORDERED pursuant to Rule 102(e)(5)(i) of the Commission's Rules of Practice that Adrian D. Beamish, CPA is hereby reinstated to appear and practice before the Commission as an accountant responsible for the preparation or review of financial statements required to be filed with the Commission, other than as a member of an audit committee, and as an independent accountant.

By the Commission.

Vanessa A. Countryman
Secretary