

## **SUMMARY OF SANCTION AGREEMENT MHLOMLELI (NELSON) NCUBE**

On March 1<sup>st</sup>, 2018, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s. 74 of the *Chartered Professional Accountants Act*.

Under that agreement Mhlomleli (Nelson) Ncube admitted to the allegations of unprofessional conduct in that he:

1. Conducted aspects of a professional accounting practice while not properly registered as a professional accounting firm with CPA Alberta, in that he:
  - a. Prepared Notice to Reader Financial Statements and a corporate tax return for E.M. for her fiscal year ended 2015 through MNB Accounting & Tax Solutions, Chartered Accountant;
  - b. Prepared Notice to Reader Financial Statements for A.... and related corporate tax returns for the 2014 fiscal year end through MNB Accounting & Tax Solutions, Chartered Accountant;
  - c. Prepared and filed corporate tax returns for A.M..... and 1....;
  - d. Prepared and filed personal income tax returns for T.B.N. for 2012 in 2015 through N'Cube Accounting and Tax Solutions;
2. Made false or misleading representations in the advertising of professional services by:
  - a. Advertising that he provided restricted services, namely the provision of audit and review engagements, through MNB Accounting & Tax Solutions, while not properly registered as a professional accounting firm with CPA Alberta; and
  - b. Advertising that he provided services that were only to be provided through a professional accounting firm, namely, Corporate Taxes, through N'Cube Accounting and Tax Solutions, while not properly registered as a professional accounting firm with CPA Alberta;
3. Made false or misleading representations on his LinkedIn profile in stating that he operated M. Nelson Ncube Professional Corporation with an effective date of January 2013 although he did not have a Professional Corporation registered through CPA Alberta until June 3, 2016;
4. Inappropriately used the descriptive style "Chartered Accountant" in conjunction with MNB Accounting & Tax Solutions and/or N'Cube Accounting and Tax Solutions;
5. Failed to conduct himself with integrity and due care and maintain the good reputation of the profession in that he:
  - a. Provided tax advice, which he represented to be a professional tax opinion of R.... LLP Chartered Accountants ("R...."), to M.H. through his employment at R...., when no tax review was conducted by senior tax professionals of R....;
  - b. Provided professional services to M.H. and E.M. while representing himself to be
    - i. an employee of R....; and
    - ii. providing professional services through R....;although he did not advise R.... that he was providing the professional services;
  - c. Provided inaccurate answers to his employers, R...., when asked:
    - i. to explain professional services he provided to M.H. and E.M.; and

- ii. whether he had provided professional services to others outside of his employment with R.... while employed at R....;

6. Failed to cooperate with the conduct process of CPA Alberta when he was not forthcoming and forthright with the investigator appointed to investigate the complaint of R...., in that he:

- a. Provided inaccurate answers to the investigator appointed to investigate the complaint of R....; and
- b. Did not identify the other clients that he had provided professional services to through MNB Accounting & Tax Solutions when first questioned by the investigator on December 15, 2016.

AND, Mhlomleli (Nelson) Ncube and the Complaints Inquiry Committee agreed that the sanctions to be imposed in consequence thereof will be:

- 1. a written reprimand;
- 2. payment of a total fine of \$20,000 in respect of allegations 1, 2, 3, 4, 5 and 6, within 10 months of the issuance of the statement of costs;
- 3. payment of costs of the investigation, hearing and compliance with the orders, in accordance with bylaw 1601, within 10 months of the issuance of the statement of costs;
- 4. mandatory publication pursuant to section 98 of the *CPA Act* and bylaws 1550-1557;
- 5. if Mhlomleli (Nelson) Ncube fails to comply with the Tribunal's orders within the time specified, the registration of Mhlomleli (Nelson) Ncube will be cancelled.

Discipline Tribunal Secretary  
March 2018