

SUMMARY OF DISCIPLINE REGISTRANT A

A discipline hearing was held on March 30, 2015, April 20, 2015 and May 26, 2015. After consideration of the verbal and written evidence and the submissions placed before it, the tribunal found that Registrant A acting alone or as a representative of A Professional Corporation was guilty of unprofessional conduct, with respect to his involvement with another Chartered Accountant (CA), in that Registrant A:

1. Demonstrated a pattern of inappropriate correspondence in having:
 - a. Sent an email to a CA, in or around May 10, 2011, when the CA was assisting Registrant A with his client files for Clients A and B, wherein he:
 - i. stated,

"It is apparent to me that you neither have the knowledge nor the skills to prepare even uncomplicated personal or corporate income tax and GST returns. It is my professional opinion that you should not be preparing any income tax or GST return, at least not without proper supervision and review."

"...You, however, prepare false and grossly misleading returns, which is also professional misconduct. If it were not for the fact you were supposedly trying to help me catch up on my work, which you did not and I ended up redoing most of it to correct your significant errors, I would be asking you for reasons why I should not be filing misconduct charges against you with the ICAA. If your work on other client files is similar to the work you did on my last client files, it is my professional opinion that you should not be in public practice on your own, at least not without proper supervision and review of your GST and income tax work." and
 - b. Sent an email to the CA on May 11, 2011, when the CA was assisting Registrant A with his client files for Clients A and B, which stated,

"So now please provide me with your professional reasons why I should not report you to the ICAA for your professional misconduct? You really should not be practicing without supervision. Your work is terrible! I totally stand by my comments in my emails to you, and the letter to Clients A and B which letter I will be presenting to them within the next few minutes."
 - c. Criticized the CA to, the 2 majority shareholders and management of Company F, a client of the CA, by sending an email on July 12, 2013 to the CA, a client of Registrant A, who was a 1% shareholder and creditor of Company F, and the other 2 shareholders, which stated,

"... It [sic] fact, the interest should never have been recorded in 2010 in the first place, because there was no legal liability on behalf of the company to record it. So CA, as long as you are prepared to reimburse my client and the company for amounts assessed by the CRA then by all means please do as you wish."
2. Inappropriately involved himself in the affairs of Company F, during the period of February 2013 to July 2013, including:
 - a. recommending to the management of Company F, that they waive interest of \$8,534.55 for 2010 and \$12,188.32 for 2011, on a retroactive basis, which could have subjected them to adverse income tax consequences because it was unlikely that the interest owing to Person 1 would have been excluded from his taxable income by virtue of the waiver and, therefore, the recommended restatement would have exposed Company F to the forgiveness of debt income inclusion; and
 - b. sending the following emails:

- i. Email, on March 14, 2013, which stated,
"My recommendations now are:
 1. *That you and Person 2 advise Company F. that ASAP the company is to:*
 - a. *Transfer the \$10,000 deposit on May 28, 2010 from Person 2 loan account to Person 1 loan account, and*
 - b. *Reverse the entire \$8,534.55 that was accrued in 2010 on loans from Person 1...*
 3. *Then if the above are done, that Person 1 not report any interest income from the company for 2010."*

- ii. Email to the CA, and three others, on July 12, 2013, which stated,
*"If the actions of a Chartered Accountant (CA) create problems for a taxpayer with the CRA the taxpayer can not [sic] only file a complaint with the ICAA against that member, but the taxpayer can also seek compensation from that member including from that member's insurer. I would expect that the CA provided you with clear and concise written documentation outlining (1) the risks of not late reporting the accrued interest for 2010 both by Person 1 and by the company in a T5 and T5 Summary, and (2) where they agreed to assume those risks and costs before she calculated and recorded that interest in the company.
Regardless my recommendation is that you now follow the CA's recommendations, which I feel should be at no cost to either the company or its shareholders."*

CONDUCT

In 2010, Registrant A contacted the Institute of Chartered Accountants ("ICAA") to request assistance with his practice. Ultimately another CA made arrangements with Registrant A to engage in assisting Registrant A with his practice.

It is the belief of the Discipline Tribunal that colleagues should always act in a manner of courtesy and consideration that reflects at minimum, tolerance between colleagues, their respective professional backgrounds and professional opinions.

ORDERS

1. Registrant A shall receive a written reprimand from the CIC Chair;
2. Registrant A shall make payment of fines of \$7,000.00 representing a fine of \$5,000.00 with respect to the finding of unprofessional conduct on charge 1 and a fine of \$2,000.00 with respect to the finding of unprofessional conduct on charge 2. Both fines are payable within 60 days of the date of this Order;
3. Registrant A shall make payment of 2/3 of the costs of the investigation and hearing up to a maximum of \$40,000.00 with 50% of that amount due and payable within 12 months of the date of this Order and the balance of the outstanding costs owed to be paid within 24 months of the date of this Order;
4. A summary of the Tribunal's findings and Orders made be provided to all provincial CPA bodies, CPA Bermuda and any other professional organization to which Registrant A belongs and that CPA Alberta is aware, as of the date of this Order;



5. A notice of the Tribunal's findings and Orders be provided to all provincial CPA bodies to which Registrant A applies for membership at any time following this Order;
6. A notice of the Tribunal's findings and Orders be provided to anyone who directs the enquiry to CPA Alberta about the discipline history of Registrant A;
7. A summary of the Tribunal's findings, the nature of the conduct and Orders made as a result of the findings be published on the CPA Alberta public website on a named basis;
8. The written decision of the Tribunal, with all third parties' names replaced by pseudonyms, be published on the CPA Alberta public website on a named basis;
9. A copy of the written decision of the Tribunal be provided to Quicklaw in accordance with the bylaws; and
10. If Registrant A fails to comply with the Tribunal's Orders within the time specified, the registration of Registrant A be cancelled.

DISCIPLINE TRIBUNAL SECRETARY
April 2016