

## **SUMMARY OF SANCTION AGREEMENT SHAHID NAQI, CPA, CA AND SHAHID NAQI PROFESSIONAL CORPORATION**

On May 18, 2023, the Complaints Inquiry Committee approved and accepted a sanction agreement pursuant to the provisions of s. 74 of the *Chartered Professional Accountants Act*.

Shahid Naqi, CPA, CA and Shahid Naqi Professional Corporation, admitted to the allegations of unprofessional conduct as set out in the February 7, 2023 motion referring the matter to a hearing, in that they or either of them:

1. Failed to perform professional services with due care or in accordance with professional standards of practice, in that they, or either of them:
  - a. Failed to note the 2011 and 2013 reassessments of non-capital losses from Alberta Revenue and Tax Administration for Alberta Co. and continued to file the 2014, 2015 and 2016 Alberta corporate tax returns of Alberta Co. with incorrect non-capital loss schedules; and
  - b. Filed the 2017, 2018 and 2019 Alberta corporate tax returns of LG Co., the successor of Alberta Co., with incorrect non-capital loss schedules; and
2. Failed to reasonably cooperate with the successor accountant for KD, Alberta Co. and LG Co. – Firm V - in that they, or either of them:
  - a. Refused to provide 6 years' worth of general ledgers and trial balances for Alberta Co. and LG Co. that were requested by Firm V in a letter dated February 20, 2021, unless KD pay a retrieval fee of \$250.00 per hour; and
  - b. Failed to provide assistance in the reconciliation of discrepancies in the intercompany loan balances for Alberta Co. and LG Co. when requested to do so, despite an offer from KD to pay for Shahid Naqi's time to assist in the reconciliation.

All of which is contrary to the provisions of the *Chartered Professional Accountants Act*, SA 2014, c. C-10.2, the *Regulated Accounting Profession Act*, RSA 2000, c. R-12, or the regulations, bylaws, Rules of Professional Conduct enacted pursuant thereto or standards of practice, constituting unprofessional conduct.

AND, Shahid Naqi, CPA, CA and Shahid Naqi Professional Corporation, and the Complaints Inquiry Committee agree that the sanctions to be imposed in consequence thereof will be:

1. Payment of a fine of \$1,500 for allegation #1 within 60 days of the statement of costs being served;
2. Payment of a fine of \$2,500 for allegation #2 within 60 days of the statement of costs being served;
3. Payment of the sum set at \$5,000.00 for costs of the investigation, hearing and compliance with the orders, in accordance with bylaw 1601, within 60 days of the statement of costs being served;
4. Mandatory publication pursuant to section 98 of the CPA Act and bylaws 1550-1557;
5. If Shahid Naqi, CPA, CA and Shahid Naqi Professional Corporation, fail to comply with the Tribunal's orders within the time specified, the registration of Shahid Naqi, CPA, CA will be cancelled and Shahid Naqi Professional Corporation will be deemed cancelled under Part 5 of the CPA Act.

Discipline Tribunal Secretary  
May 2023