



SUMMARY OF SANCTION AGREEMENT

The Complaints Inquiry Committee entered into a sanction agreement which restricts the practice of **Member "A"**.

A complaint was received alleging unprofessional conduct by Member "A" with respect to a tax engagement with a company and an individual.

This complaint was investigated by the Institute and a sanction agreement was accepted when Member "A" admitted that he was guilty of unprofessional conduct in having, with respect to an engagement with a company and an individual for the years ending December 31, 1999, December 31, 2000 and December 31, 2001,

1. failed to perform his professional services with integrity and due care in that he failed to ensure the individual's personal income tax return reflected income from the company for its use of personal tools and shop;
2. failed to complete the financial statements for the company in a timely manner;
3. issued an invoice to the company, then failed to send the invoice to the client and activated a system to ensure the client did not receive notice of the outstanding account.

Member "A", a settlement panel and the Complaints Inquiry Committee have agreed that the sanction to be imposed in consequence thereof is:

- a) Member "A" is restricted from practicing as a sole practitioner;
- b) the practice of Member "A" will have a supervisor for a minimum of two years and after that, he will be supervised until he has satisfied the Practice Review Committee that supervision is no longer required. The supervisor, from outside Member "A" firm, is to be approved by the Chair, Practice Review Committee and will oversee:
 - i. practice management,
 - ii. ensuring engagements are completed on a timely basis,
 - iii. tax advice;
- c) the tax practice of Member "A" will be subject to practice review every six months for three years;
- d) Member "A" will pay the costs of the investigation, sanction agreement to the Institute by December 20, 2003 and he will promptly pay the costs of compliance with any orders;
- e) the admissions and the terms of the sanction agreement and the nature of the conduct shall be published to all provincial institutes, the Institute of Chartered Accountants of Bermuda, the Certified General Accountants Association of Alberta, to all CAs and on the Institute website.

Jude Corrin
Discipline Tribunal Secretary