

IN THE MATTER OF the Certified General Accountants of Ontario
AND IN THE MATTER OF a complaint against Pierre Gionet

BETWEEN:

THE DISCIPLINE COMMITTEE

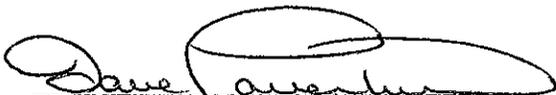
- and -

PIERRE GIONET

DECISION OF THE CGAO PROFESSIONAL CONDUCT TRIBUNAL

Pursuant to Article 9, s.5(i) of By Law Four, the Tribunal hereby accepts the resolution of the complaint proposed by the parties, as outlined in the Agreed Upon Statement of Facts and the Agreed Upon Resolution executed by the parties.

Dated this 02 day of July, 2008


Dave Laventure, Chair

Tribunal Panel:
Dave Laventure, Chair
Andria Spindel
John Biancucci

STATEMENT OF FACTS AND RESOLUTION**A. AGREED UPON STATEMENT OF FACTS**

1. 900332 Ontario Limited ("900332") has retained me since October 2003 to prepare its income tax returns.
2. 900332 has an 31 October year end

Income Tax Return for the year ended 31 October 2005

3. The deadline for filing the return for 900332 for the year ended 31 October 2005 with Canada Revenue Agency ("CRA") was 30 April 2006.
4. In November 2005, Lenore Ward, a principal of 900332, provided me with the necessary documents to prepare and file the return.
5. I did not file the return by the 30 April 2006 deadline. The return was not filed with CRA until 1 June 2006.
6. As a result of the late filing, 900332 was assessed penalties and interest.
7. Ward made numerous telephone calls to me and sent me numerous emails and faxes to discuss the status of the return and the late fees assessed. I was not diligent in responding to her attempts to contact me.

Income Tax Return for the year ended 31 October 2006

8. In November 2006 Ward sent me the materials necessary for me to file the return for 900332 for the year ended 31 October 2006.
9. By this time, I was having difficulty managing my business.
10. In March 2007, Ward paid me the advance sum of \$1,387.76 to prepare 900332's 2006 return. While I cashed the cheque, I did not prepare the income tax return.
11. Ward advised me that she would be closing the business of 900332 and sent me additional materials by courier 12 April 2007 to prepare the final statements and return for the company.
12. By April 2007 I had to take time off to recover from stress I was under.
13. When I did not complete the 2006 return, Ward made numerous attempts to reach me by email, telephone and fax. I did not respond to Ward. Ultimately she

retained counsel who wrote to me, emailed and left voice mail messages demanding that the 2006 income tax returns be filed and the client's documents be returned. I did not respond to the lawyer.

14. On 3 August 2007 900332 received a default of filing return as a result of my failure to file the 2006 return.
15. In August 2007 I returned most of the documents that Ward had given me.
16. I never prepared the 2006 return but did not return the payment I had received for it. Documents that Ward gave me were missing from the materials I returned to her.

Dealings with the Association

17. Ward filed a complaint against me with the CGA Ontario (the "Association") in August 2007.
18. By letter dated 4 September 2007 the Association sent me the complaint and asked for my response by 25 September 2007. I did not respond.
19. On 28 September 2007 the discipline committee left me a message asking me to respond. I did not respond until 3 October 2007 when I advised that I would respond by fax that day. I did not respond by fax on October 3. On 5 October 2007 the committee left a further message advising me that my response had not arrived.
20. On 30 October 2007 the discipline committee sent me a further letter requesting a response by 6 November 2007 and reminding me of my obligation to respond pursuant to Rules 610 and 611 of the *Code of Ethical Principles and Rules of Conduct*.
21. I responded to the Association by letter dated 22 November 2007.

B. AGREED UPON RESOLUTION

1. I accept that I did not serve Ward or 900332 diligently or in the manner expected of a certified general accountant.
2. I agree that in not responding to Ward, in not filing the returns in time or at all, in accepting payment for services I did not render and in advising Ward that the 2005 return had been filed when it had not, I provided services of a nature to discredit the profession in violation of Rule 101 of the *Code of Ethical Principles and Rules of Conduct*.

3. I accept that in not responding to the Association in a timely manner, I violated Rules 610 and 611 of the *Code of Ethical Principles and Rules of Conduct*.
4. I accept a reprimand from the Tribunal as a result of my violation of the *Code of Ethical Principles and Rules of Conduct*.
5. I agree to pay a fine of \$2,000 within 60 days of my acceptance of this resolution. I understand that the committee is not seeking any costs payable from me. However, I understand that if I do not accept this resolution, the committee will be seeking costs, including the costs of a hearing before the Professional Conduct Tribunal.
6. Within 60 days of my acceptance of this resolution, I agree to reimburse Ward the sum of \$3,662.08 representing expenses incurred by Ward personally or on behalf of 900332 as a result of my actions or inaction, comprised as follows:
 - (a) Penalties and interest incurred as a result of the late filing for 2005 and the non filing for 2006 - \$1,346.69;
 - (b) Fees paid to me for work not done - \$1,387.76;
 - (c) Incidentals for faxes, Canada Post and courier - \$115.12;
 - (d) Legal fees incurred by Ward - \$563.67;
 - (e) Additional accounting costs to new firm as a result of missing documents - \$848.84;
 - (f) LESS \$600 already refunded by me in respect of 2005 assessed penalties.
7. I understand that, as this will be a reprimand from the Tribunal, it will be published as required by Article 9, section 21 of By-Law Four.
8. I understand that, after a ten day waiting period from the date of acceptance of this proposed resolution, the Committee will present this proposed agreed resolution of this complaint to the Professional Conduct Tribunal. The Tribunal may accept or reject the resolution. If it accepts the resolution of the complaint, this ratification shall be the final disposition of the complaint. Where the Tribunal refuses to accept the proposed resolution, it may grant this committee an opportunity to return before it within 10 days or such other reasonable time as shall be stipulated by the Tribunal, with an amended proposed agreed resolution. Where the Tribunal refuses to ratify a proposed resolution and does not grant the committee an opportunity to return before it with an amended proposed agreed resolution, a Professional Conduct Tribunal panel of three members shall be

appointed to conduct a formal hearing pursuant to sections 9 and 12 of Article 9 of By-Law Four.

9. I further understand that if the committee and I are unable to resolve this complaint through an agreed upon resolution process, the matter will be referred to the Professional Conduct Tribunal for a hearing.

I hereby agree to this above statement of facts and resolution.

Date of Offer:

Name:

24 April 2008

Peter Luska

Chair, Discipline Committee

Date of Acceptance:

Name:

07/05/08

Pierre Gionet

Pierre Gionet, CGA