

**THE CERTIFIED GENERAL ACCOUNTANTS
ASSOCIATION OF ONTARIO**

PROFESSIONAL CONDUCT TRIBUNAL

**IN THE MATTER OF By-Law Four of the Certified
General Accountants Association of Ontario;**

**AND IN THE MATTER OF Charles Wayne
Younghusband, a member of the Certified
General Accountants Association of Ontario.**

B E T W E E N:

**THE DISCIPLINE COMMITTEE OF THE CERTIFIED
GENERAL ACCOUNTANTS ASSOCIATION OF ONTARIO**

- and -

CHARLES WAYNE YOUNGHUSBAND

Members of the Tribunal

Donald H. Page, FCSI, FCGA, Chair
Janice M. Charko, CGA
Donn G. Martinson, CGA

Appearances

Lary A. Banack for the Discipline Committee
Charles Wayne Younghusband on his own behalf

DECISION

This case involves a complaint against Mr. Charles Wayne Younghusband, which the Discipline Committee of the Certified General Accountants Association of Ontario has referred to a Professional Conduct Tribunal. Mr. Younghusband and the Discipline Committee were sent notices of this hearing on October 2, 2000 and again on October 5, 2000. In the notices, Mr. Younghusband is alleged to have violated Rules 201, 215, 216, 401, 403 and 404 of the Codes of Ethics and Rules of Professional Conduct for the relevant years in question, and Rules 607 and 607.1 of the Certified General Accountants Association Code of Ethical Principles and Rules of Conduct.

It is alleged that:

1. Between the 31st of December 1993 and the 1st of May 1996, at the City of Ottawa in the Province of Ontario, Mr. Younghusband willfully evaded payment of federal taxes imposed by the Income Tax Act, R.S.C. 1985, c.1 (5th Supp.) as amended, by overstating expenses in the amount of \$29,643.09 on the T1 Returns of Income he filed for the taxation years 1994 and 1995, thereby evading payment of federal taxes in the amount of \$10,817.09, and thereby committing an offence under paragraph 239(1)(d) of the said Act.
2. Between the 31st day of December, 1992 and the 28th of May, 1996, at the City of Ottawa in the Province of Ontario Mr. Younghusband willfully evaded compliance with Part IX of the Excise Tax Act, R.S.C. 1985, c.E-15, as amended, by failing to declare and remit net Goods and Services Tax in the amount of \$12,606.77, and did thereby commit an offence under paragraph 327(1)(e) of the said Act.

The hearing was held in this matter on Tuesday, November 14, 2000. Mr. Younghusband chose to attend without counsel.

The parties were able to reach agreement on a written statement of facts and an accompanying book of documents, which were entered as Exhibits 1 and 2 respectively. These exhibits indicated that on November 19, 1999, Mr. Younghusband pleaded guilty to the following offences:

- (1) willfully evading payment of federal taxes under the Income Tax Act in the amount of \$10,817.09; and

- (2) wilfully evading compliance with the Excise Tax Act by failing to declare and remit Goods and Services Tax in the amount of \$12,606.77.

These exhibits also indicated that Mr. Younghusband was convicted of these charges on November 19, 1999, and was ordered to pay a fine in the amount of \$20,000.

Mr. Younghusband was asked by the Chair of the Tribunal for his comments on the evidence that had been tabled. Mr. Younghusband gave an oral statement describing his personal history and circumstances at some length. These included his business difficulties, how he came to commit the offences involved, the hardship on his family, the fact that these matters had been published in the Ottawa Citizen, and the fact that he had been forced to declare bankruptcy.

Counsel for the Disciplinary Committee asked that the Tribunal impose the following penalties:

- a) that Mr. Younghusband be expelled from the Certified General Accountants Association of Ontario;
- b) that Mr. Younghusband be required to pay costs of these proceedings in the amount of \$500.00
- c) that this decision be published in the Certified General Accountants Association Statements.

The Chair of the Tribunal asked Mr. Younghusband if he had any comments about the proposed penalties, and he stated that he did not.

We find that Mr. Younghusband's conduct violated Rules 201, 215, 216, 401, 403 and 404 of the Codes of Ethics and Rules of Professional Conduct for the relevant years in question, and Rules 607 and 607.1 of the Code of Ethical Principles and Rules of Conduct. In light of his admissions, there can be little doubt that his activities were unlawful, that his actions did not enhance the image of the profession, were a discredit to the profession and the Certified General Accountants Association of Ontario, cast doubt on his honesty and integrity, and that he did not act in a manner worthy of a professional accountant.

Having regard to all the circumstances in this matter, we find that on balance, the penalties proposed by the Discipline Committee are appropriate. While Mr. Younghusband has expressed considerable remorse for his actions, he has been convicted of criminal offences that are directly related to matters which are included in the professional practice of many CGAAO members. We have considered the fact that his misconduct did not occur in the context of service to a client. However, his actions still involved a very serious breach of honesty and integrity, and we are concerned that a lesser penalty will not have a sufficient deterrent effect with respect to the profession at large, and will not adequately protect the public interest. In addition, we are of the view that his conduct undermines the professional credibility of Certified General Accountants, and having regard to all the facts before us, the proposed penalties are necessary for us to properly fulfill our obligations as a self-regulating profession.

We therefore direct that:

- a) Charles Wayne Younghusband be expelled from the Certified General Accountants Association of Ontario;
- b) Charles Wayne Younghusband pay costs of these proceedings in the amount of \$500.00; and
- c) this decision be published in the CGAAO Statements.

DATED at Toronto, this 14th day of December, 2000.


Donald H. Page, FCSI, FCGA, Chair
On behalf of the Tribunal

APPEAL NOTICE

The decision of a Professional Conduct Tribunal may be appealed to an Appeal Tribunal within sixty days of the date of the written decision of the Professional Conduct Tribunal. The notice of appeal must be in writing, addressed to the Executive Director, Certified General

Accountants Association of Ontario, 240 Eglinton Avenue East, Toronto, Ontario. M4P 1K8.

The notice must contain the grounds for the Appeal.

[Handwritten signature]