



CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO

CHARTERED PROFESSIONAL ACCOUNTANTS OF ONTARIO ACT, 2017

TO: Ismail Ebrahim, CPA, CA

AND TO: The Discipline Committee of CPA Ontario

The Professional Conduct Committee of CPA Ontario hereby makes the following Allegation of professional misconduct against Ismail Ebrahim, CPA, CA, a member of CPA Ontario:

1. THAT the said Ismail Ebrahim, in or about the period May 1, 2020 through June 30, 2020, failed to act in a manner which will maintain the good reputation of the profession and serve the public interest contrary to Rule 201.1 of the CPA Code of Professional Conduct, in that:
 - a) having provided a signed undertaking to the Professional Conduct Committee, dated April 17, 2012, not to accept or perform any assurance engagements in the future, he accepted the engagement to audit the financial statements of "XYZ" Health Team and issued an auditor's report dated June 10, 2020, attached to the financial statements of "XYZ" Health Team for the year ended March 31, 2020.
2. THAT the said Ismail Ebrahim, in or about the period September 1, 2020 through March 31, 2021, signed or associated himself with a letter, report, statement or representation which he knew or should have known was false or misleading, contrary to Rule 205 of the CPA Code of Professional Conduct, in that:
 - a) He provided to CPAO Practice Inspection, Practice Inspection Planning Questionnaires confirming that his practice includes no audit or review engagements when his practice included the audit of the financial statements of "XYZ" Health Team for the year ended March 31, 2020.
3. THAT the said Ismail Ebrahim, in or about the period June 1, 2020 through June 30, 2020, while engaged to perform the audit of the financial statements for "XYZ" Health team for the year ended March 31, 2020, failed to perform his professional services in accordance with generally accepted standards of practice of the profession, contrary to Rule 206.1 of the CPA Code of Professional Conduct, in that:
 - a) The Independent Auditor's Report contains wording that does not comply with current standards, incorrectly refers to the "balance sheet" and does not include an "Other matters" paragraph to report that the previous year's financial statements were audited by a different auditor;

- b) He failed to properly plan the audit and failed to obtain sufficient appropriate audit evidence to identify and assess the risk of material misstatement at the financial statement and assertion levels;
- c) He failed to obtain sufficient appropriate audit evidence of fraud risk;
- d) The notes to the financial statements include details on short term investments when there were no short term investments;
- e) There is no disclosure in the notes to the financial statements of rent commitments with respect to the \$261,239 in occupancy costs disclosed on the financial statements;
- f) He failed to adequately communicate with those charged with governance relating to the audit plan and to his findings from the audit, failed to review minutes of the Board of Directors meetings and failed to obtain evidence regarding the assessment of litigation;
- g) He failed to obtain sufficient and appropriate audit evidence to support the Statement of Financial Position items "Cash", "Harmonized sales taxes receivable", "Prepaid and sundry", "Accounts payable and accrued liabilities" and "Due to Ministry of Health and Long-Term Care";
- h) He failed to obtain sufficient and appropriate audit evidence to support the Statement of Operations and Fund Balance items "Revenues - Ministry of Health and Long-Term Care", "Occupancy Cost", "Office and general", "Professional Fees", "Program services purchased", "Salaries and benefits", "Telephone and communications" and "Due to Ministry of Health and Long-Term Care";
- i) He failed to obtain sufficient appropriate audit evidence regarding the existence of related parties;
- j) He failed to obtain sufficient and appropriate audit evidence to support the accuracy of opening balances audited by another auditor, including failing to communicate with the predecessor auditor;
- k) He failed to obtain sufficient and appropriate audit evidence to ensure that all events occurring between the date of the financial statements and the date of the Independent Auditor's Report that required adjustments or disclosures had been identified;



- I) He failed to obtain sufficient and appropriate audit evidence to support an overall conclusion as to whether the financial statements are consistent with the auditor's understanding of the entity.

Dated at Aurora, Ontario, this 1st day of March, 2022.

A handwritten signature in blue ink, appearing to read "H.G. Fagan", written in a cursive style on a light-colored background.

H.G. Fagan, DEPUTY CHAIR
PROFESSIONAL CONDUCT COMMITTEE