

## HEARING

### DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

#### REASONS FOR DECISION

**In the matter of:** Mr Rana Hamza Naeem

**Heard on:** Tuesday, 02 November 2021

**Location:** Remotely via Microsoft Teams

**Committee:** Ms Ilana Tessler (Chair)  
Mr George Wood (Accountant)  
Mrs Jackie Alexander (Lay)

**Legal Adviser:** Mr Robin Havard (Legal Adviser)

**Persons present  
and capacity:** Mr Benjamin Jowett (ACCA Case Presenter)  
Ms Anna Packowska (Hearings Officer)

**Summary** Exclusion from membership

**Costs:** £2,213.00

#### ACCA



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## **PRELIMINARY APPLICATIONS**

### **SERVICE OF PAPERS**

1. The Committee had considered the following documents: a hearing bundle (pages 1 to 230), a Tabled Additional (1) bundle (pages 1 to 8), a Tabled Additional (2) bundle (pages 1 to 4), and a service bundle (pages 1 to 15). The Committee had also considered legal advice which it had accepted.
2. The Committee had read the letter dated 05 October 2021 sent by ACCA by email to Mr Naeem and had noted the subsequent emails sent to Mr Naeem with the necessary link and password to enable Mr Naeem to gain access to the letter and the documents relating to this hearing. The Committee was satisfied that such emails had been sent to his registered email address in accordance with Regulation 22 of the Complaints and Disciplinary Regulations 2014 as amended ("CDR"). The Committee had noted that the emails had been delivered successfully.
3. The emails and the documents to which Mr Naeem had access also contained the necessary information in accordance with CDR10. Consequently, the Committee decided that Mr Naeem had been properly served with the proceedings.

### **PROCEEDING IN ABSENCE**

4. On 26 October 2021, in the absence of any response from Mr Naeem to the email of 14 September 2021, ACCA sent another email to him at the same email address asking him to respond and reminding him of the date of hearing. The email had been delivered successfully. However, Mr Naeem did not reply.
5. On 01 November 2021, ACCA sent a further email to Mr Naeem following two attempts on that day to make contact with him by telephone which proved unsuccessful. In the email, ACCA requested Mr Naeem to indicate whether he intended to attend the hearing and reminding him of the fact that he would be

able to join by video or telephone, and that ACCA would bear the cost of him doing so. However, there had been no response.

6. The Committee noted that the emails had been sent to the same email address used by Mr Naeem when he wrote to ACCA on 18 February 2020, 26 March 2021 and 11 May 2021.
7. The Committee was satisfied that ACCA had done everything possible to engage Mr Naeem in the hearing, but he clearly had no intention of doing so.
8. Finally, on the morning of the hearing, ACCA had received an email from Mr Naeem which had been shown to the Committee. [PRIVATE], Mr Naeem did not intend to attend the hearing. However, he confirmed that he consented to the hearing proceeding in his absence.
9. The Committee found, on the balance of probabilities, that Mr Naeem had received the emails from ACCA informing him of the hearing and giving him access to the documents containing the evidence on which ACCA relied in support of the allegations.
10. Taking account of the email from Mr Naeem of 02 November 2021, the Committee concluded that Mr Naeem had voluntarily absented himself from the hearing which he could have joined by telephone or video link. He had therefore waived his right to attend.
11. The Committee was also satisfied that, taking account of the seriousness of the allegations, it was in the public interest to proceed. The Committee did not consider that any benefit would be derived in adjourning the hearing and as stated, Mr Naeem had consented to the hearing proceeding in his absence. Finally, the Committee considered that it was in a position to reach proper findings of fact on the written evidence presented to it by ACCA, to include the written responses provided by Mr Naeem.
12. The Committee ordered that the hearing should proceed in the absence of Mr Naeem.

## ALLEGATIONS

Mr Rana Hamza Naeem, at all material times an ACCA affiliate:

1. Submitted or caused to be submitted to ACCA on or about 18 May 2017 an ACCA Practical Experience training record which purported to confirm:
  - a. his Practical Experience Supervisor in respect of his practical training in the period 1 February 2014 to 31 January 2017 was Person A when Person A did not or could not supervise his practical experience training in accordance with ACCA's requirements as set out and published in ACCA's PER Guidance (the Guidance).
  - b. he had achieved performance objectives 1: Ethics and professionalism and 2: Stakeholder and relationship management
2. Mr Naeem's conduct in respect of the matters described in Allegation 1 above was:
  - a. In respect of Allegation 1a, dishonest, in that Mr Naeem sought to confirm his supervisor did and could supervise his practical experience training in accordance with ACCA's requirements which he knew to be untrue.
  - b. In respect of Allegation 1b, dishonest, in that Mr Naeem knew he had not achieved the performance objectives referred to in paragraph 1 b as described in the corresponding performance objective statements or at all.
  - c. In the alternative, any or all of the conduct referred to in paragraph 1 above demonstrates a failure to be straightforward and honest and accordingly is contrary to the Fundamental Principle of Integrity.

3. In the further alternative to Allegations 2a and/or 2b above, such conduct was reckless in that it was in wilful disregard of ACCA's Guidance to ensure:
  - a. His Practical Experience Supervisor met the specified requirements in terms of qualification and supervision of the trainee; and/or
  - b. That the performance objective statements referred to in paragraph 1b accurately set out how the corresponding objective had been met.
4. By reason of his conduct, Mr Naeem is guilty of misconduct pursuant to ACCA byelaw 8(a)(i) in respect of any or all the matters set out at 1 to 3 above.

## **DECISION ON FACTS/ALLEGATIONS AND REASONS**

### **Allegations 1a and 1b**

13. On 16 October 2017, Mr Naeem became an ACCA Affiliate; he became a member on 20 October 2017.
14. Person A became a member of ACCA on 23 September 2016.
15. Regulation 3(a) of ACCA's Membership Regulations provides that an ACCA trainee cannot become a member of ACCA until they have completed three years of approved work experience, in accordance with ACCA's Practical Experience Requirement ("PER").
16. The Committee had considered the evidence of ACCA's Professional Team Manager, Mr Stephen Baillie, set out in his statement dated 15 April 2021. The content of his statement had not been challenged by Mr Naeem, and the Committee made the following findings of fact.
17. The requirements in respect of procedural validation of the completion of a trainee's three years' approved work experience was as follows:

- a) ACCA's PER is based on the International Federation of Accountants (IFAC) International Education Standard 5, PER. ACCA's PER develops the professional knowledge and values, ethics and behaviours needed to become a professionally qualified accountant.
- b) ACCA's PER has three components. As at 2012, and therefore at the time that Mr Naeem claimed to have started his work experience in 2014, trainees must achieve 13 POs. In 2016, this was revised to nine, made up of five "Essential" and any four "Technical" POs. This can be attained by gaining the experience required to achieve the necessary elements for each PO and complete a personal statement for each PO, which are signed off by the trainee's practical experience supervisor (PES). Trainees must complete 36 months experience in one or more accounting or finance-related roles which are verified by their PES. Trainees must regularly record their PER progress in the online "MyExperience" recording tool, which is accessed via ACCA's online portal "myACCA".
- c) A trainee's personal statement for each PO must be a 200-500-word concise explanation of how they have achieved the PO. Trainees must provide examples of tasks they have been involved with to illustrate their personal statement. Trainees' statements must be unique to their own work experience.
- d) It is a trainee's responsibility to find a PES who must be a qualified accountant recognised by law in the trainee's country and or a member of an IFAC body with knowledge of the trainee's work. A PES will therefore usually be a trainee's line manager, or the person to whom the trainee reports on projects or activities. A PES cannot sign off experience that a trainee has not been able to demonstrate to them in the workplace. If a PES is not a trainee's line manager, then the PES may consult with the trainee's line manager, who would act as the trainee's mentor, to validate their experience.
- e) Trainees must enter their PES's details into the "MyExperience" recording tool and send their PES an invitation to register as their PES. Trainees

cannot submit anything to their PES until the PES is registered. It is the trainee's responsibility to ensure that his PES is qualified to act in that capacity.

- f) Guidance about ACCA's PER including trainees' responsibilities and the necessary qualifications of a PES and their role, is, and was throughout the material time, published on ACCA's website.
18. Mr Naeem stated in his PER to ACCA that Person A was his practical experience requirement (PER) supervisor, for his PER objectives, at [PRIVATE] for the period from 01 February 2014 to 31 January 2017.
19. Mr Naeem's PER record showed he claimed 36 months of workplace experience at [PRIVATE] between 01 February 2014 to 31 January 2017. This claimed period of employment was submitted to his line managers by Mr Naeem and approved by them on 17 May 2017 and on 19 April 2017.
20. Mr Naeem's PER record also showed he submitted 9 PO statements for approval to Person A on 18 May 2017, over three and a half months after he claimed to have finished his work experience. Furthermore, Person A approved those statements on the day he received them. This included those PO statements particularised in allegation 1b. In the comment box for each of the PO statements that Mr Naeem submitted to Person A for approval, he added: "[PRIVATE] – Accounts Officer".
21. In his responses to ACCA on 06 and 10 February 2020, Mr Naeem stated he met Person A whilst working at [PRIVATE] and that Person A was the "tax/financial consultant" of his employer and acting as a consultant/ supervisor of the work in the company's finance/tax/audit/internal audit department. Mr Naeem also stated his line manager was not a qualified accountant and so his line manager's work was also supervised by Person A. Mr Naeem stated that he believed that Person A was an ACCA member, and that he asked Person A to sign off his "PER because he knew what functions I was performing at that time and I was in continuous liaison with Person A".

22. Save for a very small change in the opening words of PO1, the words used by Mr Naeem in his PO1 "Ethics and Professionalism" statement were exactly the same as another trainee, trainee S.
23. The words of his PO2 "Stakeholder relationship management" statement were exactly the same as those used by seven other trainees, to include Person A in the course of his qualification.
24. The Committee noted that grammatically and typographically, the statements were also the same.
25. PO1 - "Ethics and Professionalism"

*"This was the first situation in which I was facing such a thing. Decision was not such a difficult one. The incentive was that my job could have been permanent, and some bonus being received. What I simply did was I report my senior that I don't want to be a part of all this. So, my name should be excluded from it. As per my thoughts it was a worst situation but actually it wasn't. What I learnt from this situation is that how to report and to whom to report in an organisation. And what possible situations could a person face and how it could impact anyone's post or position. In this situation if I would have had not acted ethically (sic) would not have an a such impact on the organisation or partners wealth as any company which will contract with the company is ultimately going to give revenues to the organisation. This is possibly the dilemma faced by the individual. The only impact would (sic) have been is on myself. As once I would have involved, it would have resulted in me being involved forever and this would have by passed the code of conduct of my professional body that is ACCA. The incentive is test basically for the bad act. Which I declared not it to be in my favor."*

26. PO2 - "Stakeholder relationship management"

*"Cultural awareness is the foundation of communication. It involves the ability of standing back from ourself and becoming aware of our cultural values, beliefs and perception. Being a professional trainee, it is very essential part of my job. Being aware of our cultural dynamics is a difficult task because culture is not*



conscious to us. Since we are born we have learnt to see and do things at unconscious level. My experiences are values and cultural backgrounds lead us to see and do things in a certain way. Sometimes we have to step outside our cultural boundaries in order to realise the impact our culture has on our behavior. (sic) I learnt from this experience being a professional accountant it is my responsibility to communicate (sic) within the ethical and keeping in view the cultural awareness, (sic) I have to communicate higher concerned authorities. I got confidence after getting the cashier's wrong right. (sic) All the workers, HOD's, GM plant and Directors started trusting me and relying on me. In future, I will keep motivating myself to work in light of Ethics by keeping in mind the best outcomes of my doing for workers and will share the whole story with my subordinates in order to convince them to work and behave ethically. (sic) Being an accountant, I have to communicate (sic) with lower management, (sic) middle management, senior management and sometimes with the labour staff. The communication skills I have gained at my workplace assisted me a lot in my professional (sic) life. As a professional I have to use different types of software on my office system for the workings related to Pre & Post audit assignments. I have used Oracle financial R-12, Payroll Management (sic) System, R-Suit software, Fox Pro & windows XP, 7 & 8.1 have also worked on Microsoft office apps for better communication with stakeholders."

27. In his email of 26 March 2021, Mr Naeem provided the following explanation:

*"As per my previous statements and clarification, I humbly request you that I already have completed my tenure and submitted all the relevant documents and even after that I have joined [PRIVATE] which is a platinum employer of ACCA and after [PRIVATE] I am working at [PRIVATE] which is also a platinum employer of ACCA. I respectfully request you that please consider my documents and statements genuine. There may be similarities between some statements but as I have already stated you that I take help of my teachers, seniors and also took some ideas from my colleagues for pouring my thoughts and experience in black and white form ought to which some of my statements may match with the other statements. I once again request you that please find my official response from me and my previous employers."*

28. The Committee had noted that Person A appeared before an ACCA Disciplinary Committee on 29 January 2021 when the Committee hearing the case against Person A had found that he had:

- a) approved the POs and/or supporting statements of 52 ACCA trainees, including Mr Naeem, when Person A had no reasonable basis for believing they had been achieved and/or were true.
- b) falsely represented to ACCA that he had supervised the work experience of 52 ACCA trainees, including Mr Naeem, in accordance with ACCA's PER.
- c) improperly assisted 52 ACCA trainees, including Mr Naeem, in completing their supporting statements as evidence of their achievements of their ACCA Practical Experience performance objectives; and
- d) improperly participated in, or been otherwise connected with, an arrangement to assist 52 ACCA trainees to draft and/or approve their supporting statements as evidence of their achievement of their ACCA Practical Experience performance objectives, when those trainees were unable or unwilling to properly obtain verification from a supervisor that they had met ACCA's Practical Experience Requirements.

29. Indeed, in the course of his evidence to that Committee, Person A made the following admissions:

*"trainees were contacting him because they had passed their qualifications and done their work experience but were unable to get their POs approved by their line managers" (paragraph 59).*

*"He said the students had contacted him and, whilst he knew that he was signing off a number of students from different organisations whom he had not worked with at the same time, he had kept in mind that this was a general problem in Pakistan..." (paragraph 60),*

*"Person A said that he had provided the trainees with a 'template' that he had written in relation to his own work experience and had told them to write the statement in their own words and according to their own work experience. He said he now realised that he should not have given them the template. Person A also accepted that he should not have approved the trainees' POs but said that was the only option for the trainees to get ACCA membership. He said that the trainees nominated him because their line managers would not sign off their POs. (paragraph 63)*

*Person A accepted that he had an obligation to review the trainees' records and he hadn't done so. (paragraph 64)*

*Person A accepted that he did not read the trainees' statements and that he should have done, as that was his responsibility as a supervisor (paragraph 65)*

*Person A accepted that he had provided the trainees with a template/sample wording from his own PER. He also accepted that where students had copied his or other students' PO supporting statements then what was written in their statements could not be true. He said he should have checked their POs and supporting statements with their work experience but had just approved without looking at what they had written. (paragraph 71)*

*In answer to questions from the Committee, Person A said that he had never been employed or working at the same firm as any of the trainees when he signed off their PER. He accepted that if a trainee had copied his template in their PO statements then they were acting dishonestly. (paragraph 74)*

30. In respect of Allegation 1a, the Committee found that Person A did not become an ACCA member until 23 September 2016. Therefore, the Committee found that he could not have acted as Mr Naeem's supervisor for most of the period when he was working at [PRIVATE] between 01 February 2014 to 31 January 2017.
31. The Committee was satisfied, on the balance of probabilities, that Mr Naeem knew that Person A was not qualified to act as his PES.

32. Furthermore, the Committee found that Person A did not supervise Mr Naeem's practical experience.
33. It was simply not credible that Person A was able to supervise, in accordance with ACCA's requirements and guidance, 52 trainees in relation to their practical training. There was also no contemporaneous documentary evidence of Person A having supervised Mr Naeem's practical training. The Committee also took into consideration that Mr Naeem submitted his PO statements to Person A some months after he finished his employment with [PRIVATE] and that Person A approved the POs on the same day they were submitted to him.
34. On this basis, the Committee found the facts of Allegation 1a proved.
35. With regard to the statements submitted by Mr Naeem in respect of PO1 and PO2, the Committee noted that it was a stipulation of ACCA's PER that the words in the statements must be unique to the trainee who had undertaken the practical training. The Committee found that the words used by Mr Naeem were not his own and that he had effectively adopted the words which had been provided to him in a form of template by Person A. This was a clear abuse of the process of validation and no weight could be placed on the description of the experiences gained as suggested in the statements.
36. The Committee had not found Mr Naeem's explanation contained in his email of 26 March 2021, and his assertion that the statements were genuine, to be remotely credible.
37. On this basis, the Committee found the facts of Allegation 1b proved.

#### **Allegations 2a and 2b**

38. The Committee relied upon its findings of fact under Allegations 1a and 1b above.

39. The Committee had found that Mr Naeem knew that Person A had not supervised his practical training and he knew that Person A was not qualified to supervise his practical experience.
40. The Committee had also found that Mr Naeem had failed to write the statements in support of PO1 and PO2 in his own words. He had simply adopted words used by others and therefore there was no guarantee whatsoever that the description would match in any way the practical experience of Mr Naeem.
41. The Committee was satisfied that, by the standards of honest decent people, such conduct would be considered to be dishonest.
42. Consequently, the Committee found Allegations 2a and 2b proved.

#### **Allegation 2c**

43. On the basis that this allegation was pleaded in the alternative to Allegation 2a and 2b, the Committee made no finding in respect of it.

#### **Allegations 3a and b**

44. On the basis that this allegation was pleaded in the alternative to Allegation 2a and 2b, the Committee made no finding in respect of it.

#### **Allegation 4**

45. Taking account of its findings that Mr Naeem had acted dishonestly, the Committee was satisfied that he was guilty of misconduct in that such conduct could properly be described as deplorable. In the Committee's judgement, it brought discredit to Mr Naeem, the Association and the accountancy profession.
46. The Committee found Allegation 4 proved.

## **SANCTION AND REASONS**

47. The Committee considered what sanction, if any, to impose taking into account all it had read in the bundle of documents, ACCA's Guidance for Disciplinary Sanctions, and the principle of proportionality. It had also listened to legal advice from the Legal Adviser which it accepted.
48. The Committee considered the available sanctions in increasing order of severity having decided that it was not appropriate to conclude the case with no order.
49. The Committee was mindful of the fact that its role was not to be punitive and that the purpose of any sanction was to protect members of the public, maintain public confidence in the profession and in ACCA, and to declare and uphold proper standards of conduct and performance.
50. The Committee considered whether any mitigating or aggravating factors featured in this case.
51. The Committee accepted that there were no previous findings against Mr Naeem.
52. The Committee had little information regarding the personal circumstances of Mr Naeem nor had Mr Naeem provided with any testimonials or references as to his character.
53. However, the Committee noted that Mr Naeem had engaged with the process to the extent that he had corresponded with ACCA with regard to the allegations.
54. As for aggravating features, on the basis of the Committee's findings, it had been established that Mr Naeem's behaviour had been dishonest. The steps Mr Naeem had taken involved a level of determination and premeditation. The Committee was entirely satisfied that his behaviour would undermine confidence in the profession and put at risk the reputation of ACCA.

55. Furthermore, Mr Naeem had not accepted any of the allegations made against him and had not shown either insight or remorse.
56. The Committee concluded that neither an admonishment nor a reprimand would adequately reflect the seriousness of the Committee's findings.
57. The Committee then considered whether a severe reprimand would be an appropriate sanction. Again, taking account of the seriousness of its findings, the Committee did not consider that a severe reprimand would be sufficient or proportionate.
58. Mr Naeem had been found to have acted dishonestly in his conduct. The Committee was also concerned that, based on its findings, the objective of his dishonest conduct was to gain an unfair advantage over those who had approached their practical training in an honest way. He may have become a member when he was not competent to do so. Therefore, this was conduct on Mr Naeem's part which could have led to him achieving a level of success to which he was not entitled, and which was not merited. In this way, he could present a risk to the public. It was also conduct which was fundamentally incompatible with being a member of ACCA.
59. The Committee had considered whether there were any reasons which were so exceptional or remarkable that it would not be necessary to exclude Mr Naeem from membership of ACCA but could find none.
60. The Committee concluded that the only appropriate, proportionate and sufficient sanction was to order that Mr Naeem shall be excluded from membership of ACCA.

### **COSTS AND REASONS**

61. The Committee had been provided with a detailed costs schedule (pages 1 and 2) and a simple costs schedule (page 1 to 3) relating to ACCA's claim for costs.
62. The Committee concluded that ACCA was entitled to be awarded costs against Mr Naeem, all allegations, including dishonesty, having been found proved.

The amount of costs for which ACCA applied was £2,213. The Committee did not consider that the claim was unreasonable, particularly as ACCA had failed to include in its claim the costs of preparing for, and appearing at, this hearing.

63. Mr Naeem had provided ACCA with details of his means in his email of 02 November 2021 but had not provided any documentary evidence in support. However, from the information provided, it was clear that Mr Naeem was a person of limited means.
64. The Committee had taken into consideration the information provided by Mr Naeem. Taking account of the heavily discounted claim made by ACCA, the Committee concluded that it was reasonable and proportionate to award ACCA its costs in the reduced amount claimed.
65. In all the circumstances, and in exercising its discretion, the Committee considered that it was reasonable and proportionate to award costs to ACCA in the reduced sum of £2,213.00.

#### **EFFECTIVE DATE OF ORDER**

66. Taking into account all the circumstances, the Committee decided that it was in the interests of the public for this order to take immediate effect.
67. The Committee ordered that the Interim Order in respect of Mr Naeem shall be rescinded.

**Ms Ilana Tessler**  
**Chair**  
**02 November 2021**