

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

### **REASONS FOR DECISION**

**In the matter of:** Miss Xi Wang

**Heard on:** Thursday, 30 September 2021

**Location:** Remotely via ACCA Offices, The Adelphi, 1-11 John Adam Street, London, WC2N 6AU using Microsoft Teams.

**Committee:** HH Suzan Matthews QC (Chair)  
Ms Andrea White (Accountant)  
Ms Victoria Smith (Lay)

**Legal Adviser:** Mr David Marshall

**Persons present  
and capacity:** Mr Phillip Law (ACCA Case Presenter)  
Ms Nikita Apostol (Hearings Officer)

**Observers:** None

**Summary:** Removed from the student register

**Costs:** £4,850

1. The Committee heard an allegation of misconduct against Miss Wang. Mr Law appeared for ACCA. Miss Wang was not present and not represented.
2. The Committee had a main bundle of papers containing 57 pages, a service bundle containing 34 pages, and a 'Tabled Additional 1' bundle containing 10

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pages.

### **PROCEEDING IN ABSENCE**

3. The Committee was satisfied that Miss Wang had been served with the documents required by Regulation 10(7) of The Chartered Certified Accountants' Complaints and Disciplinary Regulations 2014 in accordance with Regulation 22. The required documents were contained in the papers before the Committee. There was evidence that they were sent by email on 01 September 2021 to an email address notified by Miss Wang to ACCA as an address for all correspondence.
  
4. The Committee noted that there had been little or no communication from Miss Wang to ACCA after the date of the examination. However, on 24 September 2021, the Hearings Officer managed to get through to Miss Wang by telephone. She was trying to establish if Miss Wang would attend this hearing. Miss Wang promised to answer by email and there was then a series of emails between Miss Wang and the Hearings Officer. Miss Wang's statements included:
  - *'I am not going to the hearing, and I intend to give up learning ACCA. What should I do?'*
  - *'If possible, please help me to cancel the process, I do not plan to continue learning in the future.'*
  - *'I have no income, I can't pay the fees, I won't go to The (sic) UK, I'll just be struck off the list'.*

The Hearings Officer explained that Miss Wang could attend remotely without travelling to the UK but Miss Wang did not change her position. She continued to express concern about the costs. She was advised about the procedure to seek an adjournment if she was not ready to deal with the hearing but did not act on this.

5. The Committee concluded that Miss Wang had clearly chosen not to exercise her right to be present at the hearing and that an adjournment would not result in her attending and the matter was already 14 months old. Accordingly, the

Committee determined to proceed in Miss Wang's absence.

### **ALLEGATION(S)/BRIEF BACKGROUND**

6. Miss Wang had been a student of ACCA since May 2019. On 15 July 2020, she took a Performance Management exam at an examination centre in China. The exam started at 13:30. An Invigilator reported that at 16:32, after the exam had finished, a sheet of notes had been found under Miss Wang's keyboard.
7. The examination in question was referred to as 'Performance Management' in the Allegations but also in some documents as the F5 exam. The Committee permitted Mr Law to admit documents ('Tabled Additional 1') showing that this was simply a change in terminology. And that all the evidence referred to the same exam. Miss Wang had not disputed this.
8. Miss Wang faced the following allegations:

#### **Allegation 1**

- (a) During a Performance Management (PM) examination on 15 July 2020, Miss Xi Wang was in possession of:
  - (i) Unauthorised materials in the form of notes whilst at her exam desk, contrary to Examination Regulations 4.
- (b) Miss Xi Wang intended to use any or all of the unauthorised materials set out at 1(a) above to gain an unfair advantage.
- (c) Miss Xi Wang's conduct in respect of 1(b) above was:
  - (i) Dishonest, in that Miss Xi Wang intended to use any or all of the unauthorised materials which she had at her exam desk to gain an unfair advantage; in the alternative
  - (ii) Contrary to the Fundamental Principle of Integrity (as applicable in

2020) in that such conduct is not straightforward and honest.

- (d) By reason of her conduct, Miss Xi Wang is:
- (i) Guilty of misconduct pursuant to byelaw 8(a)(i), in respect of any or all of the matters set out at 1(a) to 1(c) above; or
  - (ii) Liable to disciplinary action pursuant to byelaw 8(a)(iii), in respect of 1(a) above.

### **DECISION ON FACTS/ALLEGATION(S) AND REASONS**

9. The Committee was provided with two SCRS 1B forms completed by the two Invigilators immediately after the exam. One described finding a *'piece of paper full of formulae in English on both' sides 'hidden' under Miss Wang's keyboard. This was at 16:32, after the exam had finished. The other Invigilator confirmed this account. Miss Wang completed a form SCRS 2B immediately after the exam. She admitted that she was in possession of the sheet of paper but denied that it was relevant to the syllabus and denied that she intended to gain an unfair advantage.*
10. ACCA obtained a report on the document dated 21 July 2020. The report stated that the material was relevant to the syllabus and was relevant to this particular exam. The report stated that there was just one formula on the notes that was relevant, the operating profit margin formula. It stated *'Given that this formula was used on the candidate's answer, it is possible that they used the notes'*.
11. The only explanation put forward by Miss Wang was in her SCRS 2B form. Her comments were not easy to understand, and she may have had difficulty explaining herself in English. She described the document found under the keyboard as *'a paper with consolidated report to ord folume [sic] to school accountancy exam study'*. The Committee interpreted this as meaning that the notes were not relevant to this exam but related to preparation for a different exam. Miss Wang said the paper was not relevant to the syllabus because *'No*

*relevant information to Financial performance’ and ‘because it doesn’t relevant [sic – relate?] to our exam. It just the information relate to our school exam’.* Miss Wang also appeared to be saying that the paper (which she also described as a ‘napkin’) was in her pocket and she *‘let it out on the desk’*. She said she did not intend to use it: *‘when I found my napkin, it was jout [sic – ‘just?, joint?]* *with my paper’*. She did not explain further.

12. Despite these comments, there was no dispute that Miss Wang was in possession of a sheet of paper containing notes during the exam. **The Committee found Allegation 1(a)(i) proved.**
13. The circumstances in which the notes were found at the end of the examination, *‘hidden’* under the keyboard as the Invigilator described, with just a corner showing, suggested that Miss Wang had brought the document in and concealed it intending to cheat. The appearance of the notes supported this, i.e. very detailed and apparently torn from a book and neatly folded.
14. The Examination Regulations included these provisions:
  4. *You are not permitted during the exam to possess, use or attempt to use any written materials except those expressly permitted in the guidelines below. These are known as ‘unauthorised materials’.*
  6. *If you breach Exam Regulation 4 and the ‘unauthorised materials’ are relevant to the syllabus being examined, ... it will be assumed that you intended to use ... them to gain an unfair advantage in the exam. In any subsequent disciplinary proceedings, you will have to prove that you did not breach Regulation 4 ... to gain an unfair advantage in the exam.*
15. The Committee considered what Miss Wang said about the relevance of the notes, but it accepted the findings of the report dated 21 July 2020 that they were relevant both to the syllabus and the exam itself. Therefore, the presumption in Regulation 6 applied.
16. Miss Wang had given no cogent or adequate explanation for why she had this

page of notes with her or why the notes had been concealed under the keyboard on her desk. The Committee was satisfied that she intended to gain an unfair advantage in the exam. **The Committee found Allegation 1(b) proved.**

17. The Committee was quite satisfied that Miss Wang's conduct was dishonest. She brought unauthorised notes into the exam and concealed them. Every student would be informed, and would know, that such conduct was totally unacceptable. **The Committee found Allegation 1(c)(i) proved.** It did not have to consider Allegation 1(c)(ii) which was in the alternative.
18. The Committee went on to consider whether such conduct amounted to misconduct. It was quite sure that it was misconduct. For a student of ACCA to bring materials into an exam for the purpose of cheating was one of the most serious departures from proper standards that was open to a student to commit. **The Committee found Allegation 1(d)(i) proved.** It did not have to consider Allegation 1(d)(ii) which was in the alternative.

### **SANCTION(S) AND REASONS**

19. The Committee first tried to identify any mitigating or aggravating factors. In mitigation, Miss Wang was of previous good character, although she had only been a student of ACCA for about 14 months at the time of the exam. She was clearly at a very early stage of her career, although a student of any age should appreciate that cheating is wholly unacceptable.
20. There were no aggravating factors.
21. The Committee was quite satisfied that a sanction was required in this serious case. It considered the available sanctions in order of seriousness having regard to ACCA's sanctions guidance.
22. It first considered the sanctions of admonishment and then reprimand but the guidance made it clear that these were not nearly sufficient to mark the seriousness of this case. For reprimand, the guidance states *'This sanction*

*would usually be applied in situations where the conduct is of a minor nature and there appears to be no continuing risk to the public'. Exam cheating cannot be described as a minor matter, it presents a serious threat to the public interest, and there was no material to indicate that such conduct would not be repeated.*

23. The Committee next considered the sanction of severe reprimand. The guidance states that this sanction would usually be applied in situations where the conduct is of a serious nature but there are particular circumstances of the case or mitigation advanced which satisfy the Committee that there is no continuing risk to the public, and there is evidence of the individual's understanding and appreciation of the conduct found proved. In this case, there were no factors which reduced the seriousness of the misconduct and no evidence of insight or understanding by Miss Wang. She denied that the document was relevant to the exam and had very limited mitigation.
24. The Committee next considered removal from the student register. The sanctions guidance indicates that this would be an appropriate sanction in a case of dishonesty. In the Committee's view, Miss Wang's conduct was incompatible with remaining on the student register. It was a very serious matter. Cheating undermines the system of study and qualification on which all other regulation depends. The Committee determined that Miss Wang should be removed from the student register. It did not consider that it was necessary to extend the period before which she could re-apply for student membership or to make an immediate order.

### **COSTS AND REASONS**

25. ACCA applied for costs totalling £5,646.00.
26. The Committee was satisfied that the proceedings had been properly brought and that ACCA was entitled to a contribution to its costs. As to the amount, Mr Law pointed out that the costs estimate was based on a full day's hearing whereas this hearing would be concluded more quickly. The Committee determined to reduce the amount allowed for the time of the Case Presenter

and the Hearings Officer by a total of £796.

27. The Committee noted Miss Wang's email comments on 24 September 2021 that she couldn't pay but Miss Wang had provided no specific information about her financial circumstances. She had been asked to complete a statement of means but had not done so. The Committee was therefore unable to make any reduction on the basis of Miss Wang's means. The Committee assessed the costs at £4,850.00.

### **ORDER**

28. The Committee ordered as follows:
- (a) Miss Xi Wang will be removed from the student register.
  - (b) Miss Xi Wang will make a contribution to ACCA's costs of £4,850.00

### **EFFECTIVE DATE OF ORDER**

29. The order will take effect at the expiry of the appeal period.

**HH Suzan Matthews QC**  
**Chair**  
**30 September 2021**