

HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Mr Muhammad Atif Ali
Heard on:	Thursday, 13 January 2022
Location:	Remotely via Microsoft Teams
Committee:	Mr Mike Cann (Chair) Mr Nigel Pilkington (Lay) Mr Peter Brown (Accountant)
Legal Adviser:	Mr Iain Ross
Persons present and capacity:	Mr Ben Jowett (ACCA Case Presenter) Ms Anna Packowska (Hearings Officer)

1. The Committee heard an Allegation of misconduct against Mr Muhammad Atif Ali. The hearing was conducted remotely through Microsoft Teams. Mr Jowett appeared for ACCA. Mr Muhammad Atif Ali was present and was not represented. The Committee had a main bundle of papers numbered pages 1 to 231, a memo and agenda consisting of 2 pages, additional bundle (1) consisting of 11 pages, additional bundle (2) consisting of 24 pages and a separate service bundle numbered pages 1 to 17.

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ALLEGATIONS / BRIEF BACKGROUND

2. Mr Ali became an ACCA affiliate on 12 February 2005 and a member on 20 October 2017. However, Mr Ali could not become a member of ACCA until he had completed three years of approved work experience, in accordance with ACCA's Practical Experience Requirement ("PER").
3. ACCA's PER has three components. Trainees must achieve five "Essential" and any four "Technical" Performance Objectives ("POs") 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) 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.
4. The guidance provides that 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 to validate their experience.
5. 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".
6. Mr Ali's PER record shows he claimed 46 months of workplace experience at Company A between 04 February 2006 to 23 December 2009. This claimed period of employment was submitted to Mr B by Mr Ali and approved by Mr B on or around 14 October 2017.
7. Mr Ali's PER record confirms he submitted nine PO statements for approval to Mr A on 12 and 13 October 2017. These were all approved by Mr A on the same day that they were submitted to him. Mr Ali was asked why his PO3, PO5, PO8, PO18 and PO20 statements were identical in parts to the same

statements of other students who were also purportedly supervised by Mr A and who are also being investigated by ACCA.

8. Mr Ali maintained that he had carried out the work he detailed in his PO statements although he did not provide an adequate response to ACCA's correspondence asking him why his PO statements bore a similarity to other trainees and Mr A's PO statements.
9. Mr A did not become an ACCA member until 23 September 2016 and therefore could not have acted as Mr Ali's supervisor for the time when Mr Ali was working at Company A between 04 February 2006 to 23 December 2009.
10. As regards Mr A, he appeared before an ACCA Disciplinary Committee in January 2021 when the Committee found Mr A had:
 - a) approved the POs and/or supporting statements of 52 ACCA trainees, including Mr Ali, when Mr 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 Ali (referred to as trainee JJ), in accordance with ACCA's requirements.
 - c) improperly assisted 52 ACCA trainees, including Mr Ali, 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 Requirement.

11. As far as Mr B is concerned, he claims that he is a qualified accountant, but no confirmation has been provided that he (Mr B) was qualified during the period of Mr Ali's training. Only Mr A did in fact approve any of Mr Ali's objectives and it is therefore unclear what role, if any, Mr B undertook in terms of acting as Mr Ali's practical experience supervisor.

Allegations

Mr Muhammad Atif Ali, at all material times an ACCA affiliate:

1. Submitted or caused to be submitted to ACCA on or about 14 October 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 04 February 2006 to 23 December 2009 was Mr A when Mr A did not and 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 3, 5, 8, 18 and 20.
2. Mr Ali's conduct in respect of the matters described in allegation 1 above was:
 - a. in respect of allegation 1a dishonest, in that Mr Ali sought to confirm Mr A 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 Ali knew he had not achieved the performance objectives referred to in allegation 1b above, as described in the corresponding performance objective statements, or at all; or in the alternative;
 - c. Failed to act with 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. A 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 Ali 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

12. ACCA did not call any live witnesses and relied on the witness statements and exhibits produced in the main bundle and the additional bundles. Mr Ali gave oral evidence and answered questions asked by Mr Jowett and the Committee.
13. In respect of Allegation 1a, it was not disputed by Mr Ali that his PER had been submitted on the relevant date and contained the relevant information. The Committee had regard to the fact that Mr Ali knew that his supervisor was required to be a qualified accountant. Hence, Mr Ali had not applied for ACCA membership until 2017. At the relevant time, the Committee was satisfied that Mr A did not and could not supervise Mr Ali's practical experience training. In Mr Ali's own evidence, he stated that he had only a fleeting acquaintance with Mr A between 2006 and 2009 since Mr A actually worked at a different accountancy practice some 300 km from where Mr Ali was purportedly doing his training. Further, Mr Jowett had produced further evidence that Mr A was born in 1991 and would only have been between the ages of 15 and 18 at the time that Mr Ali did his training.
14. The Committee was satisfied that Allegation 1(a) was proved. Allegation 1 (b) was an undisputed statement of fact which the Committee found proved.

15. The Committee next considered whether dishonesty was proved in respect of Allegations 1(a) and 1(b). The Committee did not believe Mr Ali's evidence that he genuinely believed that it was acceptable for Mr A to be named as his supervisor, even though Mr A did not qualify as an accountant until 10 years after Mr Ali's training had been completed. The Committee had already found that Mr A had not been and could not have been his supervisor. Accordingly, the Committee determined that Mr Ali must have known that the information in his submitted form was false.
16. In the circumstances, the Committee determined that Mr Ali's conduct in respect of the matters described in Allegations 1(a) and 1(b) was dishonest and found Allegations 2(a) and 2(b) proved.
17. Having found Allegations 2(a) and 2 (b) proved, the Committee did not consider Allegations 2 (c) and 3.
18. Having found that he acted dishonestly, the Committee had no doubt that Mr Ali's conduct amounted to misconduct. Dishonesty invariably involves conduct which brings discredit to any professional person found to have been dishonest and is deplorable. The Committee therefore found Allegation 4 proved.

DECISION ON SANCTIONS AND REASONS

19. The Committee heard submissions from Mr Jowett on behalf of ACCA. The Committee received advice from the Legal Advisor and had regard to the Guidance for Disciplinary Sanctions.
20. The Committee noted that the matters found proved against Mr Ali were very serious. The Committee considered the aggravating factors to be that Mr Ali's misconduct was premeditated, intended for his own benefit and undermined the trust which the public rightly have in ACCA. Mr Ali had entered into a dishonest arrangement with Mr A resulting in him obtaining his ACCA membership in circumstances which raise doubts as to whether he was qualified to become a member.

21. As a mitigating factor, the Committee took into account that Mr Ali has no previous disciplinary record. However, the Committee considered that Mr Ali had not demonstrated any insight into the potential impact of his misconduct on other students and the reputation of the profession.
22. The Committee considered each available sanction in ascending order of seriousness, having concluded that taking no further action was not appropriate. The Committee also considered that issuing an admonishment or a reprimand would not be sufficient or proportionate given the gravity of the matters proved.
23. The Committee carefully considered whether a Severe Reprimand would be sufficient and proportionate or whether exclusion from membership was required and had careful regard to the factors applicable to each of these sanctions set out in the Sanctions Guidance.
24. The Committee had particular regard to C4.2 of ACCA's Guidance for Disciplinary Sanctions which states, *"having considered the general principles and factors set out above, the Committee must decide whether a Severe Reprimand (on its own or combined with any other order it could impose) is sufficient..., it should stop at this point and impose this sanction"*. The Committee considered that some of the factors applicable to a Severe Reprimand were applicable in this case, however it also noted a lack of insight and remediation and a lack of relevant testimonials.
25. The Committee had regard to E 2.2 of the Guidance for Disciplinary Sanctions which states:

"The public is entitled to expect a high degree of probity from a professional who has undertaken to abide by a code of ethics. The reputation of ACCA and the accountancy profession is built upon the public being able to rely on a member to do the right thing in difficult circumstances. It is a cornerstone of the public value which an accountant brings."

26. The Committee was mindful that the Sanction of exclusion from membership is the most serious sanction which could be imposed. The Committee also took into account the guidance that this sanction is likely to be appropriate when the behaviour is fundamentally incompatible with being a member. The Committee was satisfied that Mr Ali's misconduct reached that high threshold.
27. For all of the above reasons, the Committee concluded that the only appropriate and proportionate sanction was exclusion. Any Interim Order is hereby rescinded.
28. The Committee also deemed it necessary to make an order that the sanction of exclusion comes into effect immediately. The Committee was mindful that were he allowed to continue to hold himself out as an ACCA member, Mr Ali could cause harm to the public and to the reputation of ACCA for example, by being able to sign documents as an ACCA member or supervise students. Accordingly, the Committee determined that immediate order was necessary to protect public.

DECISION ON COST AND REASONS

26. ACCA applied for costs in the sum of £8,391.00 The Committee was provided with a statement of means by Mr Ali which was not challenged by ACCA and which demonstrated that Mr Ali's disposable monthly income is extremely low. Taking into account his ability to pay, the Committee determined that Mr Ali should pay a contribution to ACCA's costs in the sum of £1,000.

Mr Mike Cann
Chair
13 January 2022