

## HEARING

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

#### REASONS FOR DECISION

- In the matter of:** Mr Muhammad Zeeshan Shafi
- Heard on:** Tuesday, 18 January 2022 and Thursday, 31 March 2022
- Location:** Hearing held remotely
- Committee:** Mrs Helen Carter-Shaw (Chair)  
Ms Joanne Royden -Turner (Accountant)  
Dr Jackie Alexander (Lay Member)
- Legal Adviser:** Mr Richard Ferry-Swainson (18 January 2022)  
Mr Alastair McFarlane (31 March 2022)
- Persons present  
and capacity:** Ms Michelle Terry (Case Presenter)  
Ms Anna Packowska (Hearings Officer)
- Summary:** Mr Shafi excluded with immediate effect and costs  
awarded to ACCA of £2,207.75

#### INTRODUCTION/SERVICE OF PAPERS

1. The Disciplinary Committee (“the Committee”) convened to consider a number of Allegations against Mr Shafi. Ms Terry appeared on behalf of ACCA. Mr Shafi attended and represented himself. Due to internet issues Mr Shafi was unable

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to appear visually, but he was able to see and hear the Committee, Case Presenter and Legal Adviser and he too could be heard.

2. The papers before the Committee were in a main bundle numbered 1 to 525. There was also a Case Management Form completed by Mr Shafi. The Committee was also provided with an 18-page service bundle.

### **ADMISSIONS**

3. Mr Shafi admitted Allegations 1(a) and 1(b) and the Chair announced that those facts were therefore found proved. Mr Shafi also admitted Allegation 3(a). However, the Committee needed to make its decisions about Allegations 2(a), (b) and (c), before being able to decide whether to accept the admission to 3(a), which was alleged in the alternative.

### **ALLEGATIONS/BRIEF BACKGROUND**

4. It is alleged that Mr Shafi is liable to disciplinary action on the basis of the following Allegations:

Mr Muhammad Zeeshan Shafi, at all material times an ACCA affiliate:

1. Submitted or caused to be submitted to ACCA on or about 10 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 19 February 2013 to 16 January 2017 was Mr A when Mr A did not and/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 Objective 1: Ethics and professionalism;

- Performance Objective 2: Stakeholder relationship management;
- Performance Objective 3: Strategy and innovation;
- Performance Objective 4: Governance, risk and control;
- Performance Objective 5: Leadership and management;
- Performance Objective 6: Record and process transactions and events;
- Performance Objective 7: Prepare external financial reports;
- Performance Objective 8: Analyse and interpret financial reports;
- Performance Objective 15: Tax computations and assessments;
- Performance Objective 16: Tax compliance and verification;
- Performance Objective 17: Tax planning and advice; and
- Performance Objective 18: Prepare for and plan the audit and assurance process.

2. Mr Shafi's conduct in respect of the matters referred to in allegation 1 above:

- a) was dishonest, in respect of allegation 1a, in that Mr Shafi 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) was dishonest, in respect of allegation 1b, in that Mr Shafi knew he had not achieved the performance as described in the corresponding performance objective statements or at all and or in the alternative
- c) demonstrated a failure 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) 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 accurately set out how the corresponding objective had been met.
4. By reason of his conduct, Mr Shafi 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.
5. Mr Shafi became an ACCA affiliate on 16 January 2017 and a member on 12 May 2017.
6. 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").
7. 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.
8. ACCA's PER has three components. The achievement of "Essential" and "Technical" Performance Objectives ("PO") by gaining the experience required to achieve the necessary elements for each PO, evidenced by a personal statement for each PO signed off by the trainee's Practical Experience Supervisor ("PES"). Secondly, 36 months' work experience in one or more accounting or finance-related roles, which is verified by a PES. And thirdly, regularly recording PER progress in the online "*MyExperience*" recording tool, which is accessed via ACCA's online portal "*myACCA*".

9. ACCA trainees' personal statements for each PO must be a 200 to 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.
10. ACCA trainees are responsible for finding 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 to validate their experience.
11. Trainees must enter the 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. Guidance about ACCA's PER including trainees' responsibilities, PESs and their role, is published on ACCA's website.
12. Mr Shafi was one of fifty-two ACCA trainees who allegedly submitted or caused to be submitted to ACCA that some or all of their practical experience training had been supervised by Mr A, including at times when Mr A was not qualified, and further in doing so submitted one or more performance objective ("PO") statements that were identical, or near identical, to one or more of Mr A's other trainee's PO statements and or Mr A's own PO statements, from his training record.
13. Mr Shafi's PER record shows he claimed a total of 107 months of workplace experience from three workplaces at:
  - (a) Company A between 19 February 2013 to 16 January 2017 (47 months);
  - (b) Company B between 18 February 2011 to 18 February 2013 (24 months);and

- (c) Company C between 20 May 2007 to 20 May 2010 (36 months).
14. Mr Shafi's PER record also shows he submitted twelve PO statements for approval to Mr A on 02 May 2017. The PO statements were approved by Mr A on 02 May 2017 in respect of his employment at Company A.
  15. On 30 January 2020, ACCA wrote to Mr Shafi asking for his comments and observations about his PERs where Mr A acted as his PER Supervisor. No response was received.
  16. On 17 April 2020, ACCA sent an email to Mr Shafi requesting a response to the questions asked in the letter dated 30 January 2020. No response was received.
  17. On 08 June 2020, ACCA emailed Mr Shafi reminding him of his obligation to cooperate with ACCA's investigation and requesting a response to ACCA's earlier correspondences.
  18. On 22 June 2020, Mr Shafi responded to ACCA's enquiries explaining how he met Mr A and stated that:
    - *"Mr [A] is a Senior member and we have one mutual friend. He was not my line manager as you must aware that my most of practical experience was in UAE.*
    - *In early 2017 because of [PRIVATE] I had forced to quit my job and came back to Pakistan. After coming back to Pakistan I just thought to apply for membership as it might help me out to find a good job in Pakistan but the problem was that in my pervious companies in UAE there was no professional body member all those firms were unqualified business owners and before leaving the job I was not able to get any of my practical experience signed from even owner of the company. So I discuss the matter with [Mr A] and request him if he will approve my work experience as he was aware all of my work experience and situation, so I register him as my practical experience supervisor.*

- *In reality he didn't supervise me he just did a favor to me in order to get my membership so that I can get a good job in Pakistan.*
- *There is no documentary evidence concerning the Mr [A] supervision as it was personal face to face request by me to him.*
- *Please find the attached my work experience letters of all 3 companies of UAE for your kind perusal. In case you will need my passport copies for visa pages please do let me know I will those to you as well.*
- *After login to ACCA my experience tool, I found there was two types of PER first part is essential five PER statements & second part was Technical unde technical PER I had to write only 4 statements. Each statement I had to write 200-300 words statement. In each Statement ACCA has provided what are the mandatory elements to cover in the statement and a short example was also provided by the ACCA. So, I wrote the statements in each PER and submit it to Mr [A]. (sic).*
- *Yes, I confirm that I wrote each statement in my own words.*
- *Yes, I wrote all the statements take the print outs and gave it to Mr [A] as proof reading. He gone through my all statements before finally submitting it to him in online portal. He corrects some of my grammatical mistakes.*
- *I submit my all PER statements to him by myself.*
- *I didn't pay anything to him nor anyone related to submit my PER.*
- *I later on found that this act was not ethical and I really do apologies for this conduct. My intentions was not wrong that time I was in a desperate position to get the job as one side all my savings were used on my father's health and the same time I was Job less due to that fact even I was not able to pay my ACCA membership fee on time and after getting the call from ACCA I request them to reduce my subscription. Currently due to COVID-19 worse economic conditions I again lost my job and now days*

*again looking for a good opportunity. As you can see from my profile, I am long standing Student of ACCA and never had any kind of complaint.”*  
(sic).

19. Following Mr Shafi's response, on 26 June 2020 ACCA sent him a further email requesting more information. Mr Shafi did not respond promptly to that email and a further email was sent to him on 14 July 2020, asking him to respond to the email of 26 June 2020.
20. On 17 July 2020, Mr Shafi responded to the further enquiries and attached three documents entitled 3rd, 4th and 5th PER Statement General Guidance. He said:
  - *“Yes, I met Mr [A], first time we met in a spoken language course institute. I don't remember the exact date but I do remember it was end of 2015 and he was about to complete his ACCA.*
  - *During the meeting I found out that he is also taking ACCA course. That time I was struggling with ACCA qualification & failed professional level papers many times. He motivated me a lot to convince me that I can pass my exam while doing the job as well.*
  - *Mr [B] was our mutual friend in our meeting. Who was also taking spoken language course with us. (sic)*
  - *When I came back to Pakistan and left my job to take care of my father who died later. I was desperate to get the job. As I didn't have much Pakistani market experience that time so I thought might be after becoming ACCA member it will help me to get a well-paid job as I already have approx 10 years UAE experience & after getting the ACCA letters next to my name will at least show my efforts, work experience & time towards ACCA. But unfortunately, Pakistan job market exploit the fact that I didn't possess detail knowledge of new tax Laws in the country which took me some time to grab the knowledge as I do have basic knowledge of tax laws of Pakistan. For this purpose, I joined many*



*webinars offered by ACCA Pakistan & there is a non-profit organization Association of certified Tax Practitioners of Pakistan which also offered free training session workshops and webinars upon new tax laws in Pakistan. In some of those training sessions as he was the volunteer trainer which helped me to enhance my country taxation knowledge.*

- *As I know Mr [A] from a long time and we often discuss the accountancy work related problems while I was working abroad as I didn't have any professional accountant manager in my company. I was directly report able to my company owner. Because of this he was aware of the fact that I have done the work and got the experience so that's why he agreed to help me upon my request to approve my statements.*
- *I don't remember any statement is completely written by Mr [A]. He provided some guidelines and according to that i converted them into my own words. Please find the attached guidelines sample for your ready reference.*
- *Yes, I read the PER guidelines.*
- *Yes, I do understand its purpose. Each student must have to explain their work experience gained during their job in different segregated statements for approval in personal objectives.*
- *Yes, I do understand that ACCA objective is to ensure that its each member must have to fully equipped with detail theoretical and practical knowledge. once they go to market, they must not disgrace the acca by of necessary skills. As accountancy and acca professionals we hold the position of trust in general public. And through personal objectives written by each student acca achieve its object and ensure that ACCA is producing quality member in the society.*
- *I don't think that it undermines ACCA and accountancy profession because I didn't show any false experience or skill which I don't know. I am working in accounts and my performance is more than satisfactory. You must be aware from my profile that I joined acca in 2003 through*

*CAT program and I faced many up and downs during this time. After being approx 17 years affiliation with ACCA I can't think to disgrace ACCA and my accountancy profession which gave me the opportunity to get out of my difficult times during these years. I accept my mistake that I didn't inform ACCA beforehand about this matter for which I really apologies & hope that ACCA will forgive my mistake and allow me to continue to work with my Prestige Organization. (sic)*

- *About new trainees off course yes you are correct if they don't have enough experience or knowledge and they do this it will undermines the ACCA and accountancy profession.” (sic)*
21. On 20 July 2020, ACCA asked Mr Shafi to provide more details about a number of the personal statements submitted by him.
22. On 29 July 2020, Mr Shafi responded as follows:
- *Regarding objective 1 “it was [Company C]. Most of the employees had not the bank accounts that time and the cashier was responsible to distribute salaries every month every month one member of accounts and finance team were sent to check the integrity of the process, so I report my findings during the assignment.”*
  - *Regarding objective 3 “it was [Company D] I worked there few months before going to UAE. I don't have their experience letter because that time they were not issuing the training certificate to incomplete internees.”*
  - *Regarding objective 4 “it was [Company D].”*
  - *Regarding objective 6 “It was also [Company C]. The company had the long list of fixed assets in both Dubai and Oman divisions. The main line of business was producing fresh milk, yogurt, fresh juices, ice cream they were also involved in trading business. They were having their approx. 200 plus vehicle fleet maintained and managed in house workshop including in house engineering department.”*

- Regarding objective 15 “*it was also* [Company D].”
23. On 10 August 2020, ACCA requested Mr Shafi to provide more information about how Mr A supervised him.
24. Mr Shafi responded on 11 August 2020 and stated that:
- Mr A didn't supervise him he just did him a favour in order for him to get his membership so that he could get a good job in Pakistan.
  - He had no documentary evidence concerning the Mr A's supervision as it was a personal face to face request by him to Mr A.
  - He profusely apologised for his behaviour and hoped ACCA would accept his unconditional apology in this regard and would allow him to continue to be a part of the organisation.
25. Mr Shafi provided ACCA with a witness statement, dated 20 December 2020, in the proceedings against Mr A referred to below, consistent with the explanations he had provided to ACCA.
26. ACCA's wider investigations led it to conclude that Mr A had not worked closely with Mr Shafi and was not familiar with Mr Shafi's work, such that he would be permitted to act as Mr Shafi's supervisor and that these facts should have been or more likely were known by Mr Shafi.
27. On 29 January 2021 ACCA's Disciplinary Committee found that Mr A had:
- approved the POs and/or supporting statements of 52 ACCA trainees, including Mr Shafi, when Mr A had no reasonable basis for believing they had been achieved and/or were true;
  - falsely represented to ACCA that he had supervised the work experience of 52 ACCA trainees, including Mr Shafi, in accordance with ACCA's PER;

- improperly assisted 52 ACCA trainees, including Mr Shafi, in completing their supporting statements as evidence of their achievements of their ACCA Practical Experience performance objectives;
  - 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.
28. Mr A's conduct was found to have been dishonest and he was excluded from membership of ACCA.
29. Further, ACCA has found that Mr Shafi's performance objective statements 1,2,3,4,5,6,7,8,15,16,17 & 18 were similar or identical to the performance objective statements of Mr A, and other Trainees supervised by Mr A.
30. On 23 March 2021, ACCA wrote to Mr Shafi enclosing the performance objective statements of other trainees who claimed they were supervised by the same supervisor as him, namely Mr A, and whose performance objective statements were similar or identical to his performance objective statements. ACCA enquiries had found that:
- The Performance Objective 1: Ethics and professionalism statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 2: Stakeholder relationship management statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 3: Strategy and innovation statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of one other trainee.

- The Performance Objective 4: Governance, risk and control statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
- The Performance Objective 4: Governance, risk and control statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of one other trainee.
- The Performance Objective 5: Leadership and management statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
- The Performance Objective 5: Leadership and management statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of eight other trainees.
- The Performance Objective 6: Record and process transactions and events statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
- The Performance Objective 6: Record and process transactions and events statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of two other trainees.
- The Performance Objective 7: Prepare external financial reports statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
- The Performance Objective 7: Prepare external financial reports statement Mr Shafi submitted to ACCA as part of his PER is identical to the statements of four other trainees.
- The Performance Objective 8: Analyse and interpret financial reports statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.

- The Performance Objective 8: Analyse and interpret financial reports statement Mr Shafi submitted to ACCA as part of his PER is identical to the statements of six other trainees.
  - The Performance Objective 15: Tax computations and assessments statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 16: Tax compliance and verification statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 16: Tax compliance and verification statement Mr Shafi submitted to ACCA as part of his PER is identical to the statements of three other trainees.
  - The Performance Objective 17: Tax planning and advice statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 17: Tax planning and advice statement Mr Shafi submitted to ACCA as part of his PER is identical to the statements of two other trainees.
  - The Performance Objective 18: Prepare for and plan the audit and assurance process statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of Mr A.
  - The Performance Objective 18: Prepare for and plan the audit and assurance process statement Mr Shafi submitted to ACCA as part of his PER is identical to the statement of nine other trainees.
31. On 23 March 2021 ACCA requested evidence from Mr Shafi that he had obtained the work experience as stated in his performance objective statements.

32. Mr Shafi's responded on 27 April 2021. He said that Mr C was his direct line manager at Company C and that he worked under his supervision for three years from May 2007 until May 2010. Mr Shafi provided contact details for Mr C. He also said that Miss D was the Operations Manager in Company B and he worked with her for two years. Mr Shafi said that Miss D observed his work very closely. He provided her contact details also. Mr Shafi also provided details of a firm which he said audited the accounts of Company B and invited ACCA to contact them in order to verify his work. Finally, Mr Shafi provided details of Mr E who, he said, was his colleague at Company A and who was fully aware of the work he had performed at that company. Again, he provided contact details and invited ACCA to make contact with this person.
33. On 20 May 2021, ACCA sent an email to Mr C to ascertain whether he had any knowledge of Mr A's supervision of Mr Shafi.
34. On 05 June 2021, Mr C responded and confirmed that he had been Mr Shafi's supervisor during his time working at Company C from 2007 to 2010. He added:
- "Regarding your question about Mr [A] approving Mr Zeeshan Shafi's work as supervisor yes once Mr. Shafi called me and asked me to talk to one of his friends concerning the duties what i perform in the company and I told his friend that he had performed various tasks under my supervision. After giving all the answer to his friend i asked him that why he needs to know all this stuff because [Company C] issued the experience letter to Mr. Zeeshan upon completion of his job contract then he told me that he is going to approve the statements what Mr. Zeeshan is writing in order to gain his ACCA membership."*
35. Notwithstanding that information, ACCA's case focused on Mr Shafi's employment whilst at Company A, because it was in respect of that employment that he claimed he was supervised by Mr A and achieved his objectives, as confirmed by Mr A.
36. Mr Shafi gave evidence to the Committee. He admitted that he relied on Mr A as a favour and should not have done, hence his admission to being reckless. He explained how difficult it was to get a supervisor in the UAE where he did

his work experience and that he was desperate to become a member of ACCA in order to get a better job and that is why he asked his friend, whom he knew to be a member of ACCA, to sign off his POs. He maintained, however, that he had the relevant experience and that the POs he submitted reflected his actual experiences. He denied acting dishonestly or without integrity.

## **ADJOURNMENT**

37. At the conclusion of the fact-finding stage Mr Shafi indicated that he had received a telephone call and had to [PRIVATE]. He did not believe he would be able to return to the hearing this day. Having advised the Committee on the matters to be considered at the fact-finding stage of the proceedings, the Legal Adviser went on to advise the Committee that it would need to consider also the question of an adjournment in light of Mr Shafi's need to be elsewhere.
38. In light of his engagement throughout most of the investigation and also this hearing, the Committee considered it appropriate to allow Mr Shafi (who had pre-warned the Committee that this might happen) [PRIVATE] and to adjourn the public part of the proceedings to another date. Before doing so it sought Ms Terry's view on behalf of ACCA. Ms Terry indicated that in the specific circumstances and given Mr Shafi's engagement, ACCA did not object to there being an adjournment.
39. Accordingly, having accepted the advice of the Legal Adviser about the need to consider an adjournment, the Committee decided to adjourn the hearing. Mr Shafi had a legitimate and pressing reason for not being able to be present for the rest of today's hearing and he had taken an active role thus far. In such circumstances it would be unfair to prevent him from participating in the rest of his hearing. In reaching this decision the Committee noted the lack of opposition from ACCA.
40. The hearing was thus adjourned to a date to be arranged. The Committee, however, retired to its private virtual room to make its decisions on the facts, which would be provided to the parties on the day the hearing resumed.



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

41. The Committee considered with care all the evidence presented and the submissions made by Ms Terry and those made by Mr Shafi. The Committee accepted the advice of the Legal Adviser and bore in mind that it was for ACCA to prove its case and to do so on the balance of probabilities. The Committee also took into account the written responses provided by Mr Shafi during the course of the investigation (as referred to above) and his oral evidence.

### **Allegation 1 (a) - proved**

42. The Committee found Allegation 1(a) proved on the basis of Mr Shafi's admission.

### **Allegation 1(b) - proved**

43. The Committee found Allegation 1(b) proved on the basis of Mr Shafi's admission.

### **Allegation 2(a) and 2(b) - proved**

44. The Committee then considered whether the behaviour found proved in Allegations 1(a) and 1(b) was dishonest. Whilst it considered each separately, the Committee recognised that they were clearly linked. The Committee considered what it was that Mr Shafi had done, what his intentions were and whether the ordinary decent person would find that conduct dishonest. In his response on 22 June 2020, Mr Shafi said:

- *I confirm that I wrote each statement in my own words.*
- *Yes, I wrote all the statements take the print outs and gave it to Mr [A] as proof reading. He gone through my all statements before finally submitting it to him in online portal. He corrects some of my grammatical mistakes [sic].*

45. In his response on 17 July 2020, Mr Shafi said:

*"I don't remember any statement is completely written by Mr [A]. He provided some guidelines and according to that i converted them into my own words."*  
[sic]

46. In his Case Management Form, Mr Shafi said:

*"With respect to allegation 1 yes, I admit that Mr. A was not eligible to sign off my training record. As I explained my all pervious conversation with ACCA it was just one wrong decision which I made in desperate circumstances in order to get good job in Pakistan when I moved back into my hometown from UAE. Apart from that I did nothing wrong. [sic]*

*With respect to allegation 2b,2c & 3 ACCA allegations are wrong I proved my whole working experience from 2006 onwards. It has been almost 15 years practical experience and if ACCA still thinks that I didn't achieve the practical experience objectives then it not fair I guess. I gave all the non-qualified industry experienced managers under whom I worked and achieved those objectives. There was a genuine problem of signing off the practical experience requirement so I asked one of my friends a personal favour which was totally wrong and I admit that but based on the fact that ACCA can't deny my genuine working experience during whole time and the affiliation with ACCA from 2003 onwards & I did not make any disgrace to ACCA or to our profession & the there is no question about my professional honesty which obviously can not prove ACCA by writing my own words." [sic]*

47. When addressing the Committee, Mr Shafi repeated that he had been desperate to gain membership with ACCA in order to get a better job. He had, in his view, gained the necessary experience in the UAE but had not been able to get a supervisor. Accordingly, when he returned to Pakistan he spoke to his friend, Mr A, whom he knew had also been studying to be an ACCA member and asked him a favour and to be his supervisor. He acknowledged that he was wrong to have done that and that Mr A was not eligible to sign off his training

record. He was adamant, however, that his PO statements reflected the actual experience that he had gained whilst working in the UAE.

48. Mr Shafi was taken to p149 in the bundle, which was his PO1 statement and taken through the specific detail contained therein, which was as follows:

*1.Ethics and professionalism;*

*During my Third assignment as an auditor, I was sent to client Factory premises to observe the stock count and Cash count. i was applying walk through test ,I had observed that cashier is paying workers their wages after deducting Rs.10/- from every worker's salary and making an excuse that he do not have change cash .Workers were even not in position to complain against him. There were more then 500 workers were doing their jobs in factory , if we deduct 10 rupees each from everey worker there is almost Rs. 5000/- handsome amount which he was digging from workers pocket Doing this to workers was totally against the ethics as getting full amount for work they had performed is their right. I discussed the whole scenario with my Manager. He then discussed the situation with GM plant and Head of Finance & Accounts department. They warned the cashier not to do this activity again and penalized him with some fine.[sic]*

49. Mr Shafi was asked if this was all accurate and actually reflected his experience and he said it was. He said it was his third assignment and that he did observe 10 rupees being deducted from every worker, that there were more than 500 workers and thus a figure of about 5000 rupees was taken from the workers.
50. Mr Shafi was then asked if he was able to explain how that exact same account had been given by another trainee supervised by Mr A and submitted long before Mr Shafi submitted his POs. Mr Shafi could not really explain this. He did say that when he gave his POs to Mr A, Mr A may have altered them without his knowledge, but that did not in any way explain how Mr A could have submitted, on behalf of another trainee, that exact same account before he had been approached by Mr Shafi.

51. The Committee was provided with a copy of Mr Shafi's PER training record, which was submitted on 10 May 2017, which purported to confirm Mr Shafi's PES in respect of his practical experience training in the period 19 February 2013 to 16 January 2017 was Mr A. On the evidence relating to Mr A the Committee was satisfied that Mr A did not supervise, and could not have supervised, Mr Shafi during this period, not least because Mr A did not become a member of ACCA until 23 September 2016 and therefore was not eligible to act as a supervisor prior to that date. Mr A did not meet the requirements of the PES guidance in that prior to 23 September 2016 he was not an ACCA member and thereafter he was not in a role of responsibility or able to supervise Mr Shafi in order to be able to sign off his PER. The Committee noted that Mr A, in his case, said that he didn't supervise the trainees, he just signed off on their POs. Furthermore, Mr Shafi admitted that Mr A was not in fact his supervisor, but rather that Mr A just did him a favour in order for him to get his membership so that he could get a good job in Pakistan.
52. The Committee was satisfied that Mr Shafi clearly knew when he relied on Mr A as his supervisor and submitted those documents that he was doing something he should not have done. Furthermore, the Committee was satisfied that Mr Shafi did not compose the 12 POs he submitted through Mr A and that it was a calculated decision to submit false documents to support his application because he was desperate. He maintained that he had used Mr A's templates as guidance, but that he wrote the POs, they were his own words and reflected his actual experience. During the hearing he insisted that the detail of each specific PO submitted by him was accurate. However, for it to be entirely coincidental that all 12 POs purportedly written by Mr Shafi were identical to so many other trainees, and in some instances Mr A's own POs, stretched credulity beyond the plausible. This was particularly so when some of those PO statements, such as PO1 referred to above, had been submitted by other trainees before Mr Shafi's submission. The only realistic explanation was that Mr A had provided Mr Shafi with stock responses, which he used for many other students, and Mr Shafi either copied them and pretended they were his own or simply adopted them. The only reason for doing so was to deceive ACCA into believing he had the relevant experience shown in those POs and thereby to

allow him to become a member of ACCA, something he was desperate to achieve, and which is what in fact happened.

53. On the evidence, therefore, the Committee was satisfied, on the balance of probabilities, that Mr Shafi knew sufficiently about the PES requirements to know that Mr A could not legitimately be his PES, was not supervising him and he could not, therefore, legitimately rely on him to sign off his POs. Furthermore, the Committee was satisfied on the balance of probabilities, that the aforementioned POs Mr Shafi submitted were not genuine and did not reflect the work experience he had completed, but rather were stock answers provided by Mr A.
54. Mr Shafi maintained that he had the necessary experience but had acted recklessly in relying on Mr A to do him a favour because he was having difficulty satisfying the necessary criteria. However, Mr Shafi did not provide any documentary evidence to support his assertion that he had accumulated the necessary practical experience claimed. It may be the case that Mr Shafi has received relevant work experience in the UAE, but it was not ACCA's case one way or the other since, ACCA, like the Committee, did not know the true extent of Mr Shafi's actual work experience and was concerned only with the POs that he had submitted purporting to reflect his work experience.
55. In addition, the Committee could not ignore the fact that Mr A had been found guilty of the dishonest conduct described in paragraph 27 above. This had included: improperly participating in, or being otherwise connected with, an arrangement to assist 52 ACCA trainees (including Mr Shafi) 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.
56. The Committee could not know the precise mechanics of how the PO statements were completed. However, whatever process was followed the only reasonable inference to be drawn was that Mr Shafi was complicit in, and entirely aware of, Mr A's provision of false POs so that he, Mr Shafi, could add those to his PER and subsequently illegitimately qualify as an ACCA member.

57. Mr Shafi must have known that Mr A had not supervised his work and or acted as his supervisor at the material time in accordance with the necessary requirements. In addition, Mr Shafi did not achieve 12 of the performance objectives he claimed, in the manner he claimed, but rather relied on stock answers provided by Mr A. The Committee was in no doubt that an ordinary decent member of the public, in full possession of the facts of the case, would find the entirety of this conduct to be dishonest. The Committee therefore found Allegations 2(a) and 2(b), on the balance of probabilities, proved.
58. Having found Allegations 2(a) and 2(b) proved it was not necessary for the Committee to consider Allegations 2(c) or 3(a) and (b), which were alleged in the alternative.

#### **Allegation 4 - proved**

59. Having found the facts proved in Allegations 1(a), 1(b), 2(a) and 2(b), the Committee then considered whether they amounted to misconduct. The Committee considered there to be sufficient evidence to show that Mr Shafi submitted false POs and claimed that Mr A was his PES in order to allow him, Mr Shafi, to, illegitimately, qualify as a member of ACCA. This dishonest behaviour demonstrated a disregard for ACCA's membership process and allowed Mr Shafi to become a member of ACCA on the basis of false submissions and when not qualified to be so. Such behaviour undermines the integrity of the membership process and the standing of ACCA. It brings discredit upon Mr Shafi, the profession and ACCA. The Committee considered this behaviour to be very serious and was in no doubt it amounted to misconduct.
60. The Committee therefore found Allegation 4 proved.

#### **SANCTIONS AND REASONS**

61. The Committee noted its powers on sanction were those set out in Regulation 13(1). It had regard to ACCA's Guidance for Disciplinary Sanctions and bore in

mind that sanctions are not designed to be punitive and that any sanction must be proportionate.

62. The Committee accepted the advice of the Legal Adviser.
63. The Committee had specific regard to the public interest and the necessity to declare and uphold proper standards of conduct and behaviour. The dishonest behaviour was serious. Trust and honesty are fundamental requirements of any professional. Dishonesty by a member of the accountancy profession undermines its reputation and public confidence in it.
64. The aggravating factors the Committee identified were:
  - The dishonest behaviour was pre-planned and for personal benefit;
  - It was not an isolated incident and involved a significant degree of collusion;
  - The serious impact on the reputation of the profession;
  - There was no evidence of insight into the seriousness of the dishonest conduct, with Mr Shafi continuing to refer to his conduct as “reckless” and a “mistake”;
  - There was no evidence of insight into the damage caused by such findings on the reputation of the profession and public confidence in the profession.
65. The only mitigating factors the Committee identified were:
  - A previous good character with no disciplinary record.
  - There was full engagement from Mr Shafi and there was some expression of regret.
66. Given the Committee's view of the seriousness of the misconduct, it was satisfied that the sanctions of No Further Action, Admonishment, Reprimand and Severe Reprimand were insufficient to highlight to the profession and the public the gravity of the proven misconduct and to afford adequate public protection.

67. The Committee reminded itself that it was dealing with a case of dishonesty and had specific regard to Section E2 of the Guidance in relation to dishonesty and was mindful of the case law to the effect that dishonesty lies at the upper end of the spectrum of misconduct. The Committee determined that his dishonest behaviour was fundamentally incompatible with Mr Shafi remaining on the register of ACCA and considered that the only appropriate and proportionate sanction was that he be excluded from membership. The Committee revoked the interim order.

### **COSTS AND REASONS**

68. ACCA claimed costs of £8,831.00 and provided a detailed schedule of costs. The Committee noted Mr Shafi has provided some information, including bank statements, as to his means. He has no job but has [PRIVATE] savings that he is using to support his family. [PRIVATE] The Committee decided that it was appropriate to award costs to ACCA in this case and considered that the sum claimed by them was a reasonable one in relation to the work undertaken. However, the Committee was mindful of Mr Shafi's very limited means and determined to reduce the costs claimed to allow for this. Accordingly, the Committee concluded that the sum of £2,207.75 was appropriate and proportionate. It ordered that Mr Shafi pay ACCA's costs in the amount of £2,207.75.

### **EFFECTIVE DATE OF ORDER**

69. The Committee was satisfied that, given the seriousness of the conduct and the potential risk to the public that an immediate order was necessary in the circumstances of this case.

**Mrs Helen Carter-Shaw**  
**Chair**  
**31 March 2022**