

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

**REASONS FOR DECISION**

<b>In the matter of:</b>	<b>Miss Liu Huifen</b>
<b>Heard on:</b>	<b>Monday 23 October 2023</b>
<b>Location:</b>	<b>Remotely via MS Teams</b>
<b>Committee:</b>	<b>Mr Andrew Popat CBE (Chair)</b> <b>Ms Andrea White (Accountant)</b> <b>Mr Colin Childs (Lay)</b>
<b>Legal Advisers:</b>	<b>Mr Alastair McFarlane</b>
<b>Persons present and capacity:</b>	<b>Mr Ben Jowett (ACCA Case presenter)</b> <b>Ms Lauren Clayton (Hearings Officer)</b>
<b>Summary:</b>	<b>Exclusion from membership with immediate effect</b>
<b>Costs:</b>	<b>£5,670.</b>

1. ACCA was represented by Mr Jowett. Miss Huifen did not attend and was not represented. The Committee had before it a bundle of papers, numbered pages 1 – 254, and an additional bundle, numbered pages 1-7, an additional bundle 2, numbered pages 1 – 22, a mini bundle numbered pages 1-4 and a service bundle numbered pages 1-16.

**SERVICE/PROCEEDING IN ABSENCE**

2. Having considered the service bundle, the Committee was satisfied that the notice of the hearing was served on Miss Huifen in accordance with the Complaints and Disciplinary Regulations 2014 (“CDR”).
3. Mr Jowett, for ACCA, made an application for the hearing to continue in the absence of Miss Huifen.
4. The Committee accepted the advice of the Legal Adviser.
5. The Committee noted that following the service of the Notice of Hearing on 25 September 2023, the Hearings Officer had made two attempts to telephone Miss Huifen on 13 October without success and had sent chasing emails on 11,13 and 20 October regarding whether she would be attending the hearing. There has been no response. There was evidence that her registered e-mail address was still being accessed in March 2023. It also noted that Miss Huifen had submitted a response to the Allegations in August 2022, which was repeated in September, but not engaged with the case thereafter or at all in relation to her attendance.
6. The Committee was satisfied that Miss Huifen’s non-engagement with ACCA since September 2022 amounted to a voluntary waiving of her right to attend this hearing. It was satisfied that an adjournment would be very unlikely to secure her participation. It was mindful of the duty on all professionals to co-operate with their regulator and the public interest in the expeditious discharge of the Committee’s regulatory function. In all the circumstances it was just to proceed with the hearing in her absence.

## **ALLEGATIONS**

Miss Liu Huifen (‘Miss Huifen’), at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 26 March 2020 and in doing so purported to confirm in relation to her ACCA Practical Experience training record:
  - a) Her Practical Experience Supervisor in respect of her practical experience training in the period from 15 March 2014 to 5 September

2015 was Person 'A' when Person 'A' did not supervise that practical experience training in accordance with ACCA's requirements as published from time to time by ACCA or at all

b) She had achieved the following Performance Objectives which was not true:

- Performance Objective 2: Stakeholder relationship management

2. Miss Huifen's conduct in respect of the matters described in Allegation 1 above was: -

a) In respect of Allegation 1a), dishonest, in that Miss Huifen sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise which she knew to be untrue.

b) In respect of allegation 1b) dishonest, in that Miss Huifen knew she had not achieved all or any of the performance objectives referred to in paragraph 1b) above as described in the corresponding performance objective statements or at all.

c) In the alternative, any or all of the conduct referred to in Allegation 1 above demonstrates a failure to act with Integrity.

3. In the further alternative to Allegations 2a), 2b) and or 2c) above, such conduct was reckless in that Miss Huifen paid no or insufficient regard to ACCA's requirements to ensure:

a) Her practical experience was supervised;

b) Her Practical Experience Supervisor was able to personally verify the achievement of the performance objectives she claimed and/or verify they had been achieved in the manner claimed;

- c) That the performance objective statements referred to in paragraph 1b) accurately set out how the corresponding objective had been met.
- 4. By reason of her conduct, Miss Huifen is;
  - a) 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;

## **BACKGROUND**

- 7. Miss Huifen became an ACCA member on 31 March 2020.
- 8. 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"). The PER requires trainees to achieve nine Performance Objectives ("POs"). For each PO the trainee must complete a personal statement. Each PO must be signed off by the trainee's Practical Experience Supervisor ("PES"). 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 be either a trainee's line manager or an external, qualified accountant, who liaises with the employer about the trainee's work experience.
- 9. ACCA's primary case against Miss Huifen is that she knew that Person A had not supervised her practical experience training in accordance with ACCA's requirements. ACCA's case was that between December 2019 and January 2021, 100 ACCA trainees had completed their PER training record in which they claimed their PO's had been approved by Person A. Miss Huifen was one of these trainees. ACCA obtained a statement from Person A (an accountant registered with the Chinese Institute of Certified Public Accountants (CICPA)) who maintained that they had only acted as supervisor for 1 trainee, who was not Miss Huifen, and who was not included in the 100 cases under investigation. They had only supervised that trainee in respect of signing off a single PO. They denied supervising any of the 100 trainees, pointing out that their email address was totally different to the one used by "Person A" for the 100 trainees, that they

have never had an email address containing "manchesterunite" (which was in the email address for the hundred trainees) and that whilst the CICPA registration card provided to ACCA was theirs, they had not provided it to ACCA and did not know how this had occurred.

## **ACCA'S SUBMISSIONS**

### **Allegation 1**

10. ACCA submitted that Allegations 1a) and 1b) are capable of proof by reference to the following:
  - Person B (Manager of ACCA's Professional Development Team) statement which describes ACCA's Practical Experience Requirements.
  - Person C, Senior Administrator in ACCA's member support team, whose statement explains ACCA's membership application process
  - Miss Huifen's completed PER training record which was completed on or about 26 March 2020 which then permitted Miss Huifen to apply for membership. Miss Huifen became registered as an ACCA member on 31 March 2020.
  - Miss Huifen's Supervisor details which record Person A was her 'IFAC qualified external supervisor', and therefore her practical experience supervisor. For the four firms Miss Huifen detailed she was employed by consecutively from July 2012 to September 2015 there was no supervisor recorded as connected with her employment with any of the firms.
  - Miss Huifen's PER training record which records that Person A approved all Miss Huifen's PO's.
  - The statement from Person A obtained by ACCA in which they deny acting as supervisor for any of the ACCA trainees who are the subject of ACCA's investigation.

- That one of Miss Huifen's PO statements was identical or significantly similar to that of another trainee who submitted a PER training record prior to her suggesting at the very least, Miss Huifen had not achieved the objective in the way claimed or possibly at all.
11. ACCA also contended that it was apparent from Miss Huifen's responses that she was not supervised during her training in accordance with ACCA's requirements or at all by Person A given:
- Her admission that she asked for help on the Internet when she had completed her work experience;
  - That she had a significant lag in applying in 2020 for membership and verification of her supervised work, from 2012 through 2016;
  - Her admission that she shared her ACCA account and password details with a third party she had connected with over the Internet;
  - Her admission that 'I'm too reckless'.
12. ACCA further contended that given the reference in her two responses to ACCA that she 'provide ACCA's account and password', to Person A or an unnamed third party on the internet, this was suggestive that Person A or an unnamed third party, accessed Miss Huifen's ACCA online account and completed the training record, but otherwise had no connection or involvement with Miss Huifen's practical experience training.

**Allegation 2(a) and 2(b) - Dishonesty**

13. ACCA's primary case was that Miss Huifen was dishonest when she submitted her Practical Experience Training Record to ACCA because Miss Huifen sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise which she knew to be untrue. Further, ACCA contended she was dishonest because Miss Huifen knew she had not achieved the performance objective referred to in paragraph 1b above as described in the corresponding performance objective statement or at all. Given the extensive advice available online as to how an

ACCA trainee must complete their PER, ACCA contended that it is not credible that Miss Huifen was unaware her practical experience had to be supervised or that the statement supporting her PO had to be in her own words and describing the experience she had actually gained to meet the relevant Performance Objective.

14. In order to achieve membership, it is submitted Miss Huifen claimed to have been supervised by Person A in her PER training record, which she must have known was untrue, and claimed to have achieved PO 2 with the use of a supporting statement, which she also must have known had not been written in her own words. She therefore knew she had not achieved the POs as described in the statement or at all.
15. ACCA therefore submitted this conduct in either or both respects would be regarded as dishonest by the standards of ordinary decent people.

#### **Allegation 2(c) – Integrity**

16. In the alternative, ACCA submitted that if the conduct of Miss Huifen is not found to be dishonest, the conduct in the alternative fails to demonstrate Integrity.

#### **Allegation 3 – Recklessness**

17. ACCA submitted in the further alternative that Miss Huifen's conduct was reckless in the ordinary sense of the word in that she paid no or insufficient regard to the fact that she was required to ensure her practical experience was supervised, and the achievement of her PO's should be verified by that supervisor. Finally, she paid no regard to the fact that her PO statement should truthfully and accurately set out how the relevant objective had been met.

#### **MISS HUIFEN'S SUBMISSIONS**

18. Miss Huifen was notified of the matter by ACCA on 12 August 2022.
19. In an email response dated 25 August 2022 Miss Huifen stated:

*'.... My English is not good, I need to read your email through translation tools. This email is also written through translation tools...My reply to your question is as follows:*

*It is difficult to find supporting documents due to the long working experience of some employees. I have the latest work experience, which is more than 36 months. Please see the attachment...*

*Because of my poor English, I didn't understand the guidelines of the association. I asked for help on the Internet. Some people said it could help me. I provided ACCA's account and password, and soon received an email from the member application. Because the member review has passed, I think this is no problem.*

*After I obtained the membership, I did not harm the interests of others. After receiving your email, I read the email and related documents urgently with the help of translation tools. I think I am not supervised by HT, but I think I meet the requirements of Po, and I can actually become a member. I'm very sorry for using the wrong way. I'm too reckless. I regret it. I think I can supplement PO related information as soon as possible, find a suitable supervisor, and ensure that my PER meets the requirements. (sic) ....'.*

20. ACCA sought further information from Miss Huifen, but her only response was an email of 29 September 2022, which was a copy of her email of 25 August 2022. No further communications were received from Miss Huifen.

## **DECISION ON ALLEGATIONS AND REASONS**

21. The Committee accepted the advice of the Legal Adviser. The standard of proof to be applied throughout was the ordinary civil standard of proof, namely the balance of probabilities. It reminded itself of Collins J's observations in Lawrance v. GMC [2015] EWHC 581(Admin) to the effect that in cases of dishonesty, cogent evidence was required to reach the civil standard of proof.
22. The Committee heard that there had been no previous findings against Miss Huifen and accepted that it was relevant to put her good character into the balance in her favor.



## **DECISION ON FACTS**

23. The Committee accepted the advice of the Legal Adviser. It reminded itself to exercise caution as it was working from documents alone. It noted the submissions of Mr Jowett for ACCA. It reminded itself that the burden of proof was on ACCA alone and that Miss Huifen's absence added nothing to ACCA's case and was not indicative of guilt.

### **Allegation 1**

1. **Applied for membership to ACCA on or about 26 March 2020 and in doing so purported to confirm in relation to her ACCA Practical Experience training record:**

a) **Her Practical Experience Supervisor in respect of her practical experience training in the period from 15 March 2014 to 5 September 2015 was Person 'A' when Person 'A' did not supervise that practical experience training in accordance with ACCA's requirements as published from time to time by ACCA or at all**

b) **She had achieved the following Performance Objectives which was not true:**

- **Performance Objective 2: Stakeholder relationship management**

24. The Committee was satisfied on the basis of the practical experience training record contained in the bundle and produced from ACCA's records that Miss Huifen had submitted it to ACCA. Further, the Committee accepted on the face of the document that it purported to confirm that Person A was her PES and that Miss Huifen had entered Person A as her supervisor. It was satisfied by Person A's statement, which it found to be credible and accurate, that they did not supervise Miss Huifen. It noted that Person A was a registered professional accountant and that they had corrected themselves when, on reflection, they had recalled that they had supervised one ACCA student in respect of a single PO

and that person was not Miss Huifen. They confirmed that the email address Miss Huifen provided as Person A's was not theirs. Further, the Committee noted that the purported email address was clearly not a professional e-mail address. In addition, the Committee noted that Person A also had a different supervisor registration number to that of Miss Huifen's purported supervisor. These matters, in the Committee's view, further undermined the possibility that Person A was in fact Miss Huifen's supervisor. In the Committee's judgment this added to Person A's credibility. Accordingly, the Committee was satisfied that Allegation 1 a) was proved.

25. The Committee accepted ACCA's evidence that the Training Record that Miss Huifen submitted to ACCA contained a PO statement for PO 2. The Committee undertook a comparison between the statement submitted by Miss Huifen and the statement submitted earlier by other students. The Committee thought it more likely than not that the identical nature of the statements indicated that Miss Huifen had copied her statement from another trainee's record. It rejected as wholly implausible that properly compiled statements could be identical. The Committee noted that the requirements for such statements are that they "should be in your own words". It noted that ACCA guidance stated that ACCA did not expect to see "duplicated wording". The Committee therefore concluded that it was more likely than not that it was not true that she had achieved PO 2. Accordingly, the Committee was satisfied that Allegation 1 b) was proved.

### **Allegation 2a**

#### **2. Miss Huifen's conduct in respect of the matters described in**

**Allegation 1 above was: -**

- a) **In respect of Allegation 1a), dishonest, in that Miss Huifen sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise which she knew to be untrue.**

26. The Committee next asked itself whether the proven conduct in Allegation 1 a) was dishonest.

27. In accordance with the case of *Ivey v Genting Casinos (UK) Ltd T/A Crockfords [2017] UKSC67* the Committee first considered what Miss Huifen's belief was, as to the facts. There is clearly manifold guidance as to the PER system published and online and the Committee had little doubt that Miss Huifen would have been aware of those requirements. The Committee accepted that ACCA's guidance as to its requirements was widely available and that there was also extensive advice available in both English and Mandarin as to the requirements. Whilst mindful the burden of proof was on ACCA, it considered that Miss Huifen had provided no details about what checks or enquiries she had made as to the suitability of Person A being a supervisor at the relevant time. Further, and in any event, the Committee rejected as implausible, the possibility that Miss Huifen could have believed that Person A had in fact supervised her PE training in accordance with the requirements. Whilst mindful that the burden of proof was on ACCA, the Committee noted that Miss Huifen had provided no information, despite it being requested by ACCA, about the alleged supervision. The email address provided for her supervisor was not a professional one and should in the Committee's view have been a red flag. Further, there is no evidence of a relationship over a sustained period of time which is indicative of a proper supervisor. All 9 PO's were signed off by the purported supervisor and submitted together on the same day and all were dated 26 March 2020 four and a half years after the end of the practical experience period. The Committee considered it significant that she did not identify any supervisors over the period of her work, which ended in 2015. In the Committee's view this would not be expected if Miss Huifen's experience had been gained and supervised over a number of years since registering as a student. In the Committee's view this further undermined the legitimacy of the submission. In these circumstances the Committee considered it highly unlikely that Miss Huifen could have genuinely believed that she had been supervised by Person A. The Committee in the circumstances was able to reasonably infer that the more likely scenario was that Miss Huifen was taking a short cut to registration. In the circumstances the Committee was satisfied that Miss Huifen knew that it was untrue to confirm that Person A did supervise her. The Committee rejected any other basis such as mistake or carelessness or recklessness as not credible. It was satisfied that this conduct was dishonest according to the standards of ordinary decent people. Accordingly, it was satisfied that Allegation 2 a) was proved.

### **Allegation 2b**

**b) In respect of allegation 1b) dishonest, in that Miss Huifen knew she had not achieved all or any of the performance objectives referred to in paragraph 1b) above as described in the corresponding performance objective statements or at all.**

28. The Committee next asked itself whether the proven conduct in Allegation 1 b) was dishonest.
29. The Committee considered what Miss Huifen's belief was, as to the facts. It was satisfied that Miss Huifen's statement for PO 2 was identical to an earlier statement completed by another trainee, who also claimed to be supervised by Person A and which was submitted before Miss Huifen's submission of her PO statements. It compared Miss Huifen's statement with that of the other trainee contained in the documents and noted that they were identical in content. The Committee was therefore satisfied that Miss Huifen knew her statement was not her original work and did not reflect her work experience. The statements were therefore false and had more likely than not been copied from other trainees' statements or from a template. It made the reasonable inference on these finding of facts that Miss Huifen had not done the work for or "achieved" the PO as described. It was satisfied that this conduct was dishonest according to the standards of ordinary decent people. Accordingly, it was satisfied that Allegation 2 b) was proved.

### **Allegation 2c**

**c) In the alternative, any or all of the conduct referred to in Allegation 1 above demonstrates a failure to act with Integrity.**

30. Given the Committee's findings in relation to Allegation 2 a) and 2 b) it did not consider the alternative of Allegation 2 c). This was therefore not proved.

### **Allegation 3**

**3. In the further alternative to Allegations 2a), 2b) and or 2c) above, such conduct was reckless in that Miss Huifen paid no or insufficient regard to ACCA's requirements to ensure:**

**a) Her practical experience was supervised;**

**b) Her Practical Experience Supervisor was able to personally verify the achievement of the performance objectives she claimed and/or verify they had been achieved in the manner claimed;**

**c) That the performance objective statements referred to in paragraph 1b) accurately set out how the corresponding objective had been met.**

31. Given the Committee's findings in relation to Allegation 2 a) and 2 b) it did not consider the alternative of Allegation 3. This was therefore not proved.

#### **Allegation 4**

**4. By reason of her conduct, Miss Huifen is**

**a) 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;**

32. The Committee next asked itself whether, by submitting a fraudulent Practical Experience Training Record, Miss Huifen was guilty of misconduct.

33. The Committee had regard to the definition of misconduct in byelaw 8(c) and the assistance provided by the case law on misconduct. To dishonestly gain membership and not undertake the work claimed, was, in the Committee's judgment, deplorable conduct. It was satisfied that Miss Huifen's actions brought discredit on herself, the Association and the accountancy profession. It was satisfied that her conduct undermined one of the fundamental tenets of the profession – to be honest and not associate oneself with false and misleading statements and therefore had reached the threshold for misconduct.

## **SANCTIONS AND REASONS**

34. 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.
35. The Committee accepted the advice of the Legal Adviser.
36. 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.
37. The aggravating factors the Committee identified were:
  - The behaviour involved dishonesty which was designed to deceive her regulator with her seeking the help of a third party
  - Professional Membership was fraudulently obtained with a potential risk of harm to the public
  - The serious impact on the reputation of the profession
38. The only mitigating factors the Committee identified were:
  - A previous good character with no disciplinary record
  - Some limited insight into some wrongdoing set out in her e-mail
39. 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. It further noted that Miss Huifen

was not, in fact qualified as an ACCA member as she had gained membership dishonestly, and that any sanction which would allow her to continue to practice would fail to protect the public.

40. The Committee reminded itself that it was dealing with a case of dishonesty. It 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 top of the spectrum of misconduct. The Committee determined that her dishonest behavior was fundamentally incompatible with Miss Huifen remaining on the register of ACCA and considered that the only appropriate and proportionate sanction was that she be excluded from membership.

### **COSTS AND REASONS**

41. ACCA claimed costs of £6,345 and provided a detailed schedule of costs. The Committee noted Miss Huifen has not provided any statement of means but had indicated that she supports her family whilst on a small salary. 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 but made some reduction to £5,670 for the fact that the hearing did not take the 1 day allocated. It did not have sufficient information as to Miss Huifen's means to enable it to make any further reduction for what she contended were her limited means. Accordingly, the Committee concluded that the sum of £5,670 was appropriate and proportionate. It ordered that Miss Huifen pay ACCA's costs in the amount of £5,670.

### **EFFECTIVE DATE OF ORDER**

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

**Mr Andrew Popat CBE**  
**Chair**  
**23 October 2023**