

## HEARING

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

#### REASONS FOR DECISION

<b>In the matter of:</b>	<b>Miss Linglu Zhang</b>
<b>Heard on:</b>	<b>Wednesday, 10 January 2024</b>
<b>Location:</b>	<b>Remotely via Microsoft Teams</b>
<b>Committee:</b>	<b>Ms Valerie Paterson (Chair) Mr George Wood (Accountant) Mr Nigel Pilkington (Lay)</b>
<b>Legal Adviser:</b>	<b>Mr Robin Havard (Legal Adviser)</b>
<b>Persons present and capacity:</b>	<b>Mr Adam Slack (ACCA Case Presenter) Miss Mary Okunowo (Hearings Officer)</b>
<b>Summary:</b>	<b>Allegations 1(a) &amp; (b), 2(a) &amp; (b), and 4 were found proved.</b>
<b>Sanction:</b>	<b>Exclusion from membership of ACCA with immediate effect</b>
<b>Costs:</b>	<b>£200</b>

#### PRELIMINARY APPLICATIONS

##### ACCA



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## **SERVICE OF PAPERS**

1. The Committee had considered the following documents: a Hearing Bundle (pages 1 to 303); an Additional Bundles 1 (pages 1 to 57); a bundle of Performance Objectives relating to the complaint against Miss Zhang (pages 1 to 33), and a Service Bundle (pages 1 to 21). The Committee had listened carefully to the submissions made by Mr Slack and also considered legal advice, which it had accepted.
2. The Committee had read the letter dated 13 December 2023 sent from ACCA by email to Miss Zhang. It had noted the subsequent emails sent to her with the necessary link and password to enable her to gain access to the letter and the documents relating to this hearing.
3. The Committee was satisfied that such emails had been sent to Miss Zhang's registered email address in accordance with regulation 22 of the Complaints and Disciplinary Regulations 2014 as amended ("CDR"). The Committee had noted that the emails had been delivered successfully. CDR22(8) stipulates that, when a notice has been sent by email, it is deemed to have been served on the day it was sent.
4. The emails and the documents to which Miss Zhang had access also contained the necessary information in accordance with CDR10.
5. Consequently, the Committee decided that Miss Zhang had been properly served with Notice of the proceedings.

## **PROCEEDING IN ABSENCE**

6. Miss Zhang failed to respond to the email of 13 December 2023.
7. On 08 January 2024, ACCA called Miss Zhang on the mobile number registered with ACCA. The caller from ACCA asked whether she was speaking to Miss Zhang and the person confirmed that she was. However, Miss Zhang

stated that she was underground and the reception was not good. It was agreed that ACCA would call Miss Zhang in two hours. Miss Zhang said that she had not yet had the chance to look at her emails and therefore had not seen the email of 13 December 2023.

8. ACCA sent an email on 08 January 2024 confirming the conversation with Miss Zhang and referred to the email of 13 December 2023 containing the Notice of Proceedings relating to the hearing on 10 January 2024.
9. Later, on 08 January 2024, and as agreed, ACCA phoned Miss Zhang and spoke with her. Miss Zhang was reminded of the hearing date but she said that she would not be attending. Miss Zhang did not consider there were any documents which she wished to provide over and above those she had sent with her original responses in August and September 2022.
10. ACCA sent a confirmatory email to Miss Zhang who then wrote to ACCA on 08 January 2024, confirming that she would not be attending the hearing on 10 January 2024.
11. On 09 January 2024, despite the email from Miss Zhang, ACCA sent a link to Miss Zhang enabling her to join the hearing on 10 January 2024 if she changed her mind and decided to attend.
12. The Committee considered that ACCA had done everything possible to enable Miss Zhang to attend the hearing. The Committee was satisfied that the emails had been sent to the address on ACCA's register and there was a record of the emails having been delivered successfully.
13. Miss Zhang had spoken with ACCA regarding today's hearing and had written to say that she would not be in attendance. She gave no reason for her non-attendance, nor had she requested an adjournment.

14. The Committee concluded that Miss Zhang was aware of today's hearing, which she could have joined by telephone or video link but had voluntarily absented herself.
15. The Committee was also satisfied that, taking account of the seriousness of the allegations, it was in the public interest to proceed. The Committee did not consider that any benefit would be derived in adjourning the hearing and no such application had been made.
16. Finally, the Committee considered that it was in a position to reach proper findings of fact on the written evidence presented to it by ACCA.
17. The Committee ordered that the hearing should proceed in the absence of Miss Zhang.

#### **APPLICATION FOR HEARING IN PRIVATE**

18. Miss Zhang had completed, and returned to ACCA, the Case Management Form ("CMF"). In the CMF, Miss Zhang had ticked the box to confirm that she would wish the entirety of the proceedings to be heard in private. This was opposed by ACCA.
19. Whilst Miss Zhang had made the request, she had not provided any reasons to support her application.
20. The Committee considered that there was a public interest in these proceedings taking place in public. In the absence of any reasons to the contrary, the Committee confirmed that the hearing would proceed in public. If, during the course of the hearing, it appeared to the Committee that a particular issue arose which would be more suited to be heard in private, it could revisit Miss Zhang's application at that time.
21. Consequently, Miss Zhang's application was refused.

## **ALLEGATIONS**

### **Schedule of Allegations**

Miss Linglu Zhang ('Miss Zhang'), at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 20 September 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 07 December 2015 to 31 March 2017 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:
    - Performance Objective 4: Governance, risk and control
    - Performance Objective 5: Leadership and management
    - Performance Objective 8: Analyse and interpret financial reports
    - Performance Objective 12: Evaluate management accounting systems
    - Performance Objective 14: Monitor performance
2. Miss Zhang's conduct in respect of the matters described in Allegation 1 above was: -
  - a) In respect of Allegation 1a), dishonest, in that Miss Zhang sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise which they knew to be untrue.

- b) In respect of allegation 1b) dishonest, in that Miss Zhang 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 Zhang 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 it 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 Zhang is guilty of misconduct pursuant to ACCA bye-law 8(a)(i) in respect of any or all the matters set out at 1 to 3 above.

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

- 22. As stated above, and in reaching its decisions with regard to the allegations, the Committee had considered the following documents: a Report of Disciplinary Allegations and Evidence Bundle (pages 1 to 303); an Additional Bundle (pages 1 to 57); a Bundle of Performance Objectives relating to the complaint against Miss Zhang (pages 1 to 33), and a Service Bundle (pages 1

to 21). The Committee had listened carefully to the submissions made by Mr Slack and also considered legal advice, which it had accepted.

**Allegations 1(a) & (b)**

23. On 23 May 2016, Miss Zhang became a student member of ACCA.
24. On 15 July 2019, Miss Zhang was admitted as an affiliate.
25. On 25 September 2020, Miss Zhang was admitted as a member.
26. Allegation 1 concerns the conduct on the part of Miss Zhang in relation to the completion of her practical experience training which is a prerequisite to applying for full membership of ACCA.
27. In reaching its findings of fact in respect of allegations 1(a) and (b), the Committee had considered carefully, and accepted, the evidence of the following witnesses:
  - (i) Person A as contained in a statement and supplemental statement dated 18 October 2022 and 12 September 2023 respectively;
  - (ii) Person B, a Senior Administrator in ACCA's Member Support Team as contained in a statement dated 20 October 2022, and
  - (iii) Person C, Manager of ACCA's Professional Development Team, as contained in a statement dated 13 October 2022.
28. None of the above evidence had been challenged by Miss Zhang. At section 5 of the CMF, Miss Zhang states that she does not accept the evidence of Person A. However, on reading her submission in the CMF, the Committee found that Miss Zhang appears to suggest that the person who prepared the statements dated 18 October 2022 and 12 September 2023 was the person holding their

self out as Person A, rather than the real Person A on whose evidence ACCA relied.

29. The Committee had also considered the content of the documents provided by ACCA in support of its case, all of which were consistent with the written evidence of the witnesses.

### **THE PROCESS TO ACQUIRE RELEVANT PRACTICAL EXPERIENCE**

30. The following sets out the process Miss Zhang would have been required to follow, as detailed by Person C in their statement.

31. The following abbreviations have been used:

PER – Practical Experience Requirement;

PES – Practical Experience Supervisor;

PO – Performance Objective.

32. Upon an ACCA student completing all their ACCA exams, they become an ACCA affiliate. However, in order to apply for membership, they are required to obtain at least 36 months' practical experience in a relevant role ('practical experience'). It is permissible for some or all of that practical experience to be obtained before completion of ACCA's written exams.

33. A person undertaking practical experience is often referred to as an ACCA trainee.

34. An ACCA trainee's practical experience is recorded in that trainee's Practical Experience Requirement (PER) training record, which is completed using an online tool called 'MyExperience' which is accessed via the student's MyACCA portal.

35. As part of their practical experience, each trainee is required to complete nine performance objectives (POs) under the supervision of a qualified accountant,



who is their Practical Experience Supervisor (PES). A PES means a qualified accountant who has worked closely with the trainee and who knows the trainee's work. It is the trainees' responsibility to ensure that the PES is qualified to hold such a position.

36. Trainees must enter their PES's details using the MyExperience online recording tool which generates an invitation to their nominated supervisor to act as their supervisor. If the supervisor accepts that invitation, the supervisor is required to record their details using the same recording tool.
37. An accountant is recognised by ACCA as a qualified accountant if they are a qualified accountant recognised by law in the trainee's country and/or a member of an IFAC body. Once a trainee believes they have completed a PO, they are required to provide a statement in their PER training record describing the experience they have gained in order to meet the objective. Given this is a description of their own experience, the statement must be unique to them.
38. Through the online tool, the trainee then requests that their PES approves that PO.
39. In addition to approval of their POs, the trainee must ensure their employment where they have gained relevant practical experience has been confirmed by the trainee's line manager who is usually also the trainee's PES. This means the same person can, and often does, approve both the trainee's time and achievement of POs. The PES must have worked closely with the trainee and must know the trainee's work.
40. If the trainee's line manager is not qualified, the trainee can nominate a PES who is external to the firm to supervise their work and approve their POs. This external PES must have some connection with the trainee's firm, for example as an external accountant or auditor.
41. ACCA's PER guide states:

*'If ... your organisation does not employ a professionally qualified accountant who can sign-off your performance objectives then you could ask an external accountant or auditor who knows your work, to be your practical experience supervisor and work with your line manager to sign off your objectives.'*

42. Once all nine POs have been approved by the trainee's PES (whether internal or external) and their minimum 36 months of practical experience has been signed off, the trainee is eligible to apply for membership.
43. POs and ACCA's exams are closely linked so that the knowledge and techniques the trainee develops through their studies, are relevant in their workplace. The tasks and activities a trainee will be asked to demonstrate in the POs are also closely related to the type of work they will undertake on a regular basis in an accounting or finance role.
44. Each PO comprises 3 parts; (i) a summary of what the PO relates to, (ii) 5 elements outlining the tasks and behaviours a trainee must demonstrate to be able to achieve the PO and (iii) a 200 to 500-word concise personal statement in which a trainee must summarise how they achieved the PO.
45. The POs numbered 1 to 5 are compulsory. There are then a number of optional 'Technical' POs from which the trainee needs to choose four. ACCA recommends to trainees that they choose the technical POs that best align to their role so that it is easier to achieve the PO. In that regard the ACCA's requirements as published in the 2019 guide, and subsequently, explain the following:

*'The performance objectives you choose should be agreed with your practical experience supervisor. You should consider the following points when selecting which performance objectives to target ... Match any business objectives you have been set at work with the performance objectives. This will allow you to work towards your business objectives and your PER at the same time.'*

46. In their personal statement for each PO, a trainee needs to provide a summary of the practical experience they gained. They must explain what they did, giving an example of a task. They must describe the skills they gained which helped them achieve the PO and they must reflect on what they have learned including what went well or what they would have done differently.
47. A trainee's personal statement for each PO must be their own personal statement that is unique to them and their own experience. Trainees must not therefore use a precedent or template or another trainee's personal statement, which would undermine the PER element of the ACCA qualification. The 2019 published guide concludes:

*"Your situation and experience are unique to you, so we do not expect to see duplicated wording, whether from statement to statement, or from other trainees. If such duplication occurs, then it may be referred to ACCA's Disciplinary Committee."*
48. ACCA's PER guides are, and were at the material time, available online in China. Although the Guides are printed in English, all Chinese trainees will have taken their exams in English. The information is also available in Mandarin.
49. Trainees must enter their PES's details using the MyExperience online recording tool which generates an invitation to their nominated supervisor to act as their supervisor. If the supervisor accepts that invitation, the supervisor is required to record their details using the same recording tool.
50. On the dates Person A was allegedly appointed supervisor for Miss Zhang, there was no requirement for the supervisor to provide the name of their employer. Instead, they were only required to register their job title and provide their email address.
51. All PESs have to be registered with ACCA and, as part of that registration process, have to provide evidence that they are a qualified accountant. A person purporting to be Person A apparently provided evidence to ACCA in the

form of a registration card from the Chinese Institute of Certified Public Accountants (CICPA). As such, they were, from ACCA's point of view, a 'qualified accountant'.

52. Information from one of ACCA's China offices about the support given to ACCA trainees in China is as follows.
53. ACCA's Customer Services Team in China email all ACCA affiliates in China inviting them to regular webinars provided by ACCA staff who can advise on the PER process.
54. The Committee had noted a list of webinars (translated using Google translate) relating to ACCA's membership application process dated from 14 December 2016 to 27 August 2022. There are a number dated in 2019 including one dated 30 May 2019. The details include reference to:  
  
*'...Record 36 months of accounting-related work experience in myACCA, and complete 9 Performance Objectives, which will be confirmed online by your Supervisor...'*
55. These are live webinars and therefore trainees are able to ask ACCA China staff questions.
56. The webinar details refer to encouraging trainees to join the ACCA WeChat group of their regional service group and provides details how to join. All the webinars listed include the same details about these WeChat groups. 'WeChat' is a social media app available globally but used extensively in China. In these WeChat groups, ACCA trainees can ask ACCA China staff questions including about the PER process.
57. In addition to the WeChat groups, ACCA China uploads to its WeChat platform articles relevant to the ACCA membership process, to include one entitled '*How to become an ACCA Member Series 1/ Practical Experience Requirement (PER) Quick Guide*', dated 15 January 2020. The article refers to a mentor,

which is the same as a supervisor. Under the heading '*Find a mentor*' the article states in particular: '*Your experience must be under the supervision of a mentor to count towards PER. You must find a mentor with real work experience to monitor and confirm your work hours and performance goals...*'

58. Under the heading '*Determine performance goals*' the article states in particular:

*"You have to choose which performance goals to accomplish, here are some points to keep in mind:*

- You need to complete 9 performance goals, including all 5 core goals and any 4 technical goals;*
- Work with your practical experience mentor to develop a plan to achieve performance goals;*
- Choose technical goals that are relevant to your day-to-day work, as they are easier to achieve;...."*

59. The Committee was satisfied, therefore, that there was significant information available to Miss Zhang to enable her to understand fully the process relating to ACCA's PER and the training that was involved.

#### **ACCA's INVESTIGATION**

60. During 2021, it came to the attention of ACCA's Professional Development team that between 16 December 2019 and 29 January 2021, 100 ACCA trainees, including Miss Zhang, had completed their PER training record in which they claimed their POs had been approved by a particular supervisor, namely Person A.
61. A person purporting to be Person A registered as each trainee's supervisor on the basis of them being a member of the Chinese Institute of Certified Public

Accountants (CICPA), being an IFAC registered body. As such, they were, from ACCA's point of view, a 'qualified accountant'.

62. Person C states, and the Committee found, that a supervisor would not be expected to have more than 2 to 3 trainees at any one time. All these trainees had different periods of training and some periods overlapped, and ACCA is unable to produce precise figures as to how many trainees Person A allegedly supervised at any one time. However, the Committee was satisfied that a person claiming to be Person A had purported to have supervised a very significant number of ACCA trainees, including Miss Zhang, at or about the same time.
63. A review was also carried out by the Professional Development Team which showed that the PO statements had been copied amongst a large number of these 100 trainees, including Miss Zhang, who had all claimed to have been supervised by the same supervisor, namely a 'Person A'.
64. ACCA contacted Person A via the Chinese Institute of Certified Public Accountants (CICPA). Person A has been a member of the CICPA since 03 April 2019. Therefore, it is only from that date that Person A would be entitled to supervise an ACCA trainee. In any event, Person A denied having supervised any ACCA trainees. During this contact, Person A provided ACCA with their email address.
65. Although initially Person A advised ACCA they had never supervised any ACCA trainees, they subsequently recalled having supervised a single ACCA trainee.
66. Person A provided ACCA with the name of the trainee. ACCA's records confirm they did act as a supervisor for this one trainee. However, that one trainee is not one of the 100 cases under investigation. In addition, they acted as supervisor for this trainee only to the limited extent of approving one of their nine performance objectives.

67. The reason this ACCA trainee was not included in these 100 cases under investigation is because Person A had been issued with a different supervisor registration number by ACCA, and their details were different to the 'Person A' who purportedly supervised the 100 other trainees, including Miss Zhang. This included their email address. The email address registered by 'Person A' in connection with these 100 trainees was "[PRIVATE]", which is totally different to the email address provided by Person A to ACCA. Person A stated, and the Committee found, that they have never had an email address containing '[PRIVATE]'.
68. The 'Person A' who was purportedly registered as supervisor for the 100 trainees under investigation provided a copy of a CICPA registration card to ACCA. The real Person A had confirmed in their statement, and the Committee found, that this is their genuine registration card, but they had not provided this to ACCA.

#### **THE PRACTICAL EXPERIENCE REQUIREMENT (PER) TRAINING RECORD FOR MISS ZHANG**

69. The PER training record submitted by Miss Zhang referred to her practical experience being undertaken at three firms between 07 December 2015 and at least 20 September 2020 which was the date on which, according to her record, her time and experience were marked as approved.

##### **Firm 1**

70. Firm 1 was where Miss Zhang was employed from 07 December 2015 to 31 March 2017 as a Financial Management Trainee.
71. As Allegation 1 only refers to the period 07 December 2015 to 31 March 2017, the Committee concluded that the only relevance of the employment with Firms 2 and 3 was to illustrate the delay in relation to the purported approval of Miss Zhang's POs whilst at Firm 1, and because it provides a full chronology of the PER record on which Miss Zhang relied in order to gain full membership.

72. The PER training record records her time when employed at Firm 1 as "15 months claimed" of relevant practical experience.
73. In this role, the Committee found that the PER training record referred to two supervisors, Person D, who is recorded as authorised to approve Miss Zhang's experience / time claim only, and Person A, who was authorised to approve her POs only.
74. Person D approved Miss Zhang's experience on 20 September 2020 i.e. approximately 42 months after Miss Zhang left Firm 1.
75. The Supervisor details for Miss Zhang record that Person D was a 'non IFAC qualified line manager' and, therefore, could not, and did not, approve Miss Zhang's POs in her PER.
76. Person A approved all of Miss Zhang's PO's on 20 September 2020; again, this is some 42 months after Miss Zhang left Firm 1. The Committee found this was of particular relevance because the requests for approval by Miss Zhang in relation to all her POs state that the experience related to her employment at Firm 1. This was the reason why the period referred to in Allegation 1 related solely to the period Miss Zhang was employed by Firm 1 from 07 December 2015 to 31 March 2017.
77. The Committee reminded itself that Person A had only become a member of CICPA, and therefore a qualified accountant for the purposes of Miss Zhang's PER training, on 03 April 2019. Consequently, Person A was not able to supervise Miss Zhang during her time at Firm 1, which she had left over two years previously.
78. The Supervisor details for Miss Zhang record that Person A was her 'IFAC qualified external supervisor' hence why Person A approved Miss Zhang's PO's in her PER.



## **Firm 2**

79. The PER training record records the second firm where Miss Zhang was employed was Firm 2 where she was employed from 07 April 2017 to 30 September 2019 in the role of Futures Analyst.
80. The PER training record records this as '29 months claimed' of relevant practical experience which relates to the period of employment referred to in the paragraph immediately above.
81. In this role the PER training record refers two supervisors, as above, a Person D, who was authorised to approve her experience / time claim only, which they did on 20 September 2020.
82. The Supervisor details for Miss Zhang record that Person D was a 'non IFAC qualified line manager' and hence why Person D only approved Miss Zhang's time / experience claim.
83. Although Person A is recorded to authorise Miss Zhang's POs in this role, given Miss Zhang's requests for approval of her POs all related to her experience at Firm 1, none of the POs were achieved during her employment with Firm 2.

## **Firm 3**

84. The PER training record records the third firm where Miss Zhang was employed was Firm 3 where she was employed from 08 October 2019 in the role of Futures/Commodities Analyst. No end date has been recorded. This suggests she remained employed at least up to the date her time/ experience was approved on 20 September 2020.
85. At page 4 of the PER training record, in the text in red, it is confirmed that 11 months of relevant practical experience has been claimed, which relates to the period of employment referred to in the paragraph immediately above. The period of 67 months corresponds with the period the training commenced i.e.

07 December 2015 to the date the record was downloaded by staff i.e. 09 August 2021.

86. In this role, the PER training record refers to the same two supervisors as above, a Person D, who was authorised to approve her experience / time claim only, which they did on 20 September 2020.
87. As previously, the Supervisor details for Miss Zhang record that Person D was a 'non IFAC qualified line manager' and hence why Person D only approved Miss Zhang's time / experience claim.
88. Although Person A is recorded to authorise Miss Zhang's POs in this role, given Miss Zhang's requests for approval of her POs all related to her experience at Firm 1, none of the POs were achieved during her employment with Firm 3.

#### **THE COMMITTEE'S DECISION IN RESPECT OF ALLEGATIONS 1(a) & (b)**

89. In reaching its decision, the Committee had taken account of the written submissions made by Miss Zhang in her emails of 25 August 2022 and 06 September 2022, together with her comments in the CMF.
90. In summary, Miss Zhang explained what had happened and how Person A had been held out as her PES.
91. Having found it difficult to find a qualified supervisor, it was not until September 2020 that Miss Zhang was introduced by a friend to an intermediary who said that they were qualified to provide ACCA supervisors and could help in the member application process.
92. All communication was conducted online via Wechat. Miss Zhang never met the intermediary, let alone the person purporting to be Person A.
93. In her email of 06 September 2022, she confirmed that:

*“...I am not sure whether the supervisor and the intermediary are the same person/firm. This is a one-off trade, all transactions and negotiations were completed through a [PRIVATE], which was introduced by one of my friends, thus it seems to be uncommon to exchange contact details with each other due to confidential agreements between seller and buyer. As I explained in email of 25 August 2022, the account of the intermediary has been closed, and all I can get now is the transaction snapshot, which was show in Attachment 10 in email of 25 August 2022, and here also provided...”*

*... ..., I did not know I should work with supervisor closely, since the Internet communication is so developed and every working performance could be completed online. I also believed I can send some working results to supervisors, and make regular reports online with them or some other formal or informal verification.*

*.... I believed they will provide all PO on behalf of me, based on my real working backgrounds, which could be seen as my delegate, they provide PO on behalf of me and I believed this could be seen as my own words. I do not know they deal with in big volumn, if so, I would definitely refuse the service of the intermediary....*

*.... I did not read the "ACCA's Guide " clearly. But here I also want complain about ACCA's rules to become a member, not all affiliates work in accountants fields, so the criteria of supervisors and verification, both work together and be qualified in accounting fileds are so confined for non-accounting occupations, that is why we have to find outside supervisors and intermediary."(sic)*

94. In her CMH, Miss Zhang confirmed that she denied the allegations and said as follows:

*"1a.) All my working experiences are true and authentic, I did not know these were not supervised by the supervisor, since I have sent all relative working materials to the person the intermediary appointed. I my viewpoints, all these are regard as remote supervise.*

*1b.) All my working background and working knowledge are based on my own working environment, I can guarantee the authenticity of these experiences, I already provided enough evidence to ACCA during the investigation process, all these are true. For the further evidence, ACCA and the Committee can make further investigation on my CPD information on my ACCA account, and if necessary, I also can provide such CPD materials for your reference."*

95. The Committee was satisfied, on the balance of probabilities, that Miss Zhang knew that Person A had not acted as her PES.
96. By her own admission, there was no contact between Miss Zhang and Person A throughout Miss Zhang's training as would be expected if Person A had been acting as her supervisor as shown on Miss Zhang's PER.
97. The Committee found that Person A did not provide the necessary supervision of Miss Zhang's work during any of the period that she worked at Firm 1. As stated in the PER booklet, one of the three components of PER is to, "*regularly record your PER progress in your online My Experience record, which can be accessed via myACCA.*" As stated, there was no such evidence.
98. To summarise, in reaching its finding, the Committee had taken account of the following:
  - (a) There was no documentary evidence at all of any contact between Miss Zhang and Person A, such as supervision notes, meeting notes, file reviews, text messages, appointments, or emails concerning work undertaken by Miss Zhang when at Firm 1. Indeed, Miss Zhang has accepted that she had never met Person A and all communications had been conducted through an intermediary, someone who Miss Zhang had also not met. Indeed, at one stage, she states that, for all she knew, the intermediary and Person A may be one and the same person;

- (b) The real Person A has stated, and the Committee accepted their written evidence, that they did not act as PES to Miss Zhang;
- (c) The Committee had found that Miss Zhang knew that Person A had not been acting as her PES during the relevant period.
- (d) The Committee was satisfied, on the balance of probabilities, that Miss Zhang knew the correct process that should have been followed in order to achieve her PER. She is a person of intelligence, having passed all of her examinations, and the level of support and instruction issued by ACCA and available to Miss Zhang was substantial and sufficiently clear. The Committee considered it was significant that Miss Zhang stated in her initial email that she had found it difficult to find qualified supervisors which suggested, first, a level of knowledge of the process and, secondly, that she was aware that the measures that she subsequently took could not possibly have been appropriate or compliant.

99. On this basis, the Committee found the facts of allegation 1(a) proved.

**ANALYSIS OF MISS ZHANG'S POs AS CONTAINED IN HER PER TRAINING RECORD WITH OTHER ACCA TRAINEES WHO CLAIMED TO HAVE BEEN SUPERVISED BY PERSON A**

100. The Committee found that, in order to comply with the PER, all of a trainee's PO statements should be unique to them and must not be copied from other trainees or from templates as this undermines the PER element of the ACCA qualification.

101. The Committee had considered the careful analysis carried out by ACCA on the basis of information supplied by the company which provides ACCA with the online PER tool, providing an Excel spreadsheet with all the POs downloaded from these 100 trainees. The purpose of this analysis was to determine if the PO statements of any one trainee were identical or significantly

similar to the POs of one or more other trainees who claimed to have been supervised by Person A, including Miss Zhang.

102. The Committee was satisfied that, where PO statements of Miss Zhang were the same or significantly similar to the POs of any other trainees, it was appropriate to infer that Miss Zhang had not met the objective in the way claimed or possibly at all. There was no basis on which, if the PO statements were the same or significantly similar, more than one trainee would, first, have had exactly the same training experience and, secondly, they would then use effectively the exact same, or almost identical, terminology and wording to describe that work experience.
103. In carrying out this analysis, the Committee noted that ACCA had been careful to record the PO statement for any one PO which was first in time, on the basis this statement may be original and therefore written by the trainee based on their actual experience, unless there was further evidence suggesting otherwise.
104. The 'first in time date' was the date the trainee requested that Person A approve the PO in question within their PER. This was on the basis that, as soon as the PO narrative had been uploaded to the PER, the trainee would have then requested approval from Person A.
105. In relation to Miss Zhang, the analysis revealed, and the Committee found:
  - Five of her nine PO statements were not dated first in time;
  - The PER training record records that Miss Zhang requested Person A to approve all nine PO's on 20 September 2020 and Person A apparently approved all nine PO's on 20 September 2020.

- All five of her PO statements that were not first in time were identical or significantly similar to the POs contained in the PERs of other ACCA trainees who claimed to have been supervised by Person A.
106. The following statements submitted by Miss Zhang were the same, or effectively the same, as the trainees identified below:

PO4 – Trainee 12;  
PO5 – Trainee 42;  
PO8 – Trainee 42  
PO12 – Trainee 34  
PO14 – Trainee 35

107. Whilst in certain of the statements, the word-count varied, the Committee noted that the wording itself of many of the sentences was identical, both in terms of the sort of experience outlined and also the grammar.
108. The following is an example of this approach. The example selected by the Committee was a statement submitted by Miss Zhang and which was effectively identical to those of the other trainee listed above, the latter pre-dating the date on which Miss Zhang submitted, and Person A approved, her statement.

**PO5**

109. The Committee had considered the documentary evidence and as stated, found that the words used by Miss Zhang in her "Leadership and management" PO statement ("PO5") approved in September 2020 were identical, or practically identical, to the words used by the trainee listed above for the same PO.

*"This is a very important skill, especially if you are leading a team to complete an important project on time. I still remember one time when the leader assigned me to lead a group to complete a project, I learned how to lead a*

*group from the project. First, I need to make a detailed plan. As a leader, I need to make a number of plans through detailed and effective investigation and analysis, which fully reflect any situation that may occur during the implementation of the goals and the measures I take, so that everyone in the team can clearly know their tasks or goals. Second, I need to share the information with my team members. I hope to pass all the plan information to everyone, and everyone can put forward their own opinions in the plan. At the same time, team members can feel the importance of work, so as to motivate them to work better. So, when I was leading the project, the first thing I did was to have a meeting with the team members, to tell them what were the most important things, so we could focus on the most important things. Finally, I will supervise my team members regularly. I need to keep abreast of their work dynamics, which is conducive to improving work efficiency."*

110. The statement of Trainee 42 for the same PO, which was approved in July 2020, is set out below.

*"This is a very important skill, especially if you are leading a team to complete an important project on time./ still remember one time when the leader assigned me to lead a group to complete a project, I learned how to lead a group from the project. First, I need to make a detailed plan. As a leader, I need to make a number of plans through detailed and effective investigation and analysis, which fully reflect any situation that may occur during the implementation of the goals and the measures I take, so that everyone in the team can clearly know their tasks or goals. Second, I need to share the information with my team members./ hope to pass all the plan information to everyone, and everyone can put forward their own opinions in the plan. At the same time, team members can feel the importance of work, so as to motivate them to work better. So, when I was leading the project, the first thing I did was to have a meeting with the team members, to tell them what were the most important things, so we could focus on the most important things. Finally, I will supervise my team members regularly.' need to keep abreast of their work dynamics, which is conducive to improving work efficiency."*



111. The Committee found that the similarities in the description of the work experience described by Miss Zhang and the other trainees meant that it was not credible that all trainees would have undergone exactly the same work experience and then expressed it in effectively identical terms. The Committee was satisfied that the wording was taken from some sort of template and that it represented a pattern of behaviour, repeated in respect of all five of Miss Zhang's POs.
112. The Committee was satisfied that this was a clear abuse of the process of validation and no weight could be placed on the description of the experience gained as described in the statements.
113. The Committee had found that Miss Zhang had submitted PO statements which were identical to the PO statements of other trainees who had purported to be supervised by Person A, when Miss Zhang knew they did not accurately reflect the work that she had undertaken.
114. It was suggested by Miss Zhang that, had she known that a pre-prepared wording was being used to prepare the statements, she would not have allowed it. The Committee rejected such a submission. Miss Zhang had never met Person A. The guidance regarding a person's PER was clear that the person approving a trainee's PER should have a close knowledge of the trainee's work and had to play a role in that trainee's supervision. The words in the statement were also required to be unique to them. Finally, these statements all related to work alleged to have been undertaken whilst at Firm 1, a company that Miss Zhang had left over three and a half years earlier.
115. In her response of 25 August 2022, Miss Zhang wrote as follows:

*"I tried to write my PO but they suggested that they could help me with my help me with my PO statements, that is why you found some of my PO were first appeared and some were not..."*

116. And

*"Moreover, I also thought they would provide PO based on my personal real working so I chose to believe them and asked them to help me in ACCA member application process."*

117. The Committee did not find such explanations to be credible. Miss Zhang had no contact with Person A. In the absence of any such contact in September 2020, let alone during the period in which she worked for Firm 1, she would have known it was simply not possible for Person A to have any knowledge of the work experience gained by Miss Zhang whilst at Firm 1 which could justify the submission of the statements as part of her POs.
118. Indeed, no evidence had been provided, for example from Firm 1, to support the description of the work allegedly carried out by Miss Zhang to satisfy POs 4, 5, 8, 12 and 14 when working at that firm. The Committee found, on the balance of probabilities, that it was not true that she had achieved the POs in the manner, or based on the description, of the work alleged.
119. Finally, and as stated above, the Committee found that Miss Zhang was aware of the PER and the process she should have followed.
120. On this basis, the Committee found the facts of allegation 1(b) proved.

#### **Allegations 2(a) and (b)**

121. The Committee relied upon its findings of fact under allegations 1(a) and 1(b) above.
122. The Committee had found that Miss Zhang knew that, in the period from 07 December 2015 to 31 March 2017, Person A had not supervised her practical training but that she had held out that she had been supervised by Person A during that period.

123. The Committee had also found that Miss Zhang had failed to write the statements in support of POs 4, 5, 8, 12 and 14 in her own words. Therefore, there was no guarantee whatsoever that the description would match in any way her actual practical experience. She therefore knew that she could not rely on the statements to substantiate that she had achieved the performance objectives in respect of POs 4, 5, 8, 12 and 14 in the manner described in the statements she had submitted.
124. The Committee was satisfied that, by the standards of ordinary decent people, such conduct would be considered to be dishonest.
125. Consequently, the Committee found allegations 2(a) and 2(b) proved.

**Allegation 2(c)**

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

**Allegations 3(a), (b) and (c)**

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

**Allegation 4**

128. Taking account of its findings that Miss Zhang had acted dishonestly, the Committee was satisfied that she was guilty of misconduct. Such conduct fell far below the standards expected of an accountant and member of ACCA and could properly be described as deplorable. In the Committee's judgement, it brought discredit to Miss Zhang, the Association and the accountancy profession.
129. The Committee found allegation 4 proved.

## **SANCTION AND REASONS**

130. The Committee considered what sanction, if any, to impose taking into account all it had read in the bundle of documents, ACCA's Guidance for Disciplinary Sanctions, and the principle of proportionality. It had listened to submissions from Mr Slack, and to legal advice from the Legal Adviser, which it accepted.
131. The Committee considered the available sanctions in increasing order of severity having decided that it was not appropriate to conclude the case with no order.
132. The Committee was mindful of the fact that its role was not to be punitive and that the purpose of any sanction was to protect members of the public, maintain public confidence in the profession and in ACCA, and to declare and uphold proper standards of conduct and performance.
133. The Committee considered whether any mitigating or aggravating factors featured in this case.
134. The Committee accepted that there were no previous findings against Miss Zhang. Whilst the Committee appreciated that Miss Zhang had an obligation to cooperate with ACCA and respond to correspondence, it was to Miss Zhang's credit that she had engaged with the investigation, even if the Committee had concluded that it could not accept her explanations.
135. As for aggravating features, on the basis of the Committee's findings, it had been established that Miss Zhang's behaviour had been dishonest and the steps Miss Zhang had taken involved a level of sophistication, planning and collusion with others, particularly in relation to the use of Person A's details as PES and the submission of a number of false PO statements. Her actions were designed to deceive her regulator.

136. The Committee also noted that, in her responses, Miss Zhang had shown neither insight nor remorse. The Committee was also concerned that Miss Zhang's dishonest conduct was to enable her to derive a personal benefit.
137. Miss Zhang had gained qualification as an accountant without the necessary competence or experience. In this way, she could have caused harm or had an adverse impact on members of the public.
138. The Committee concluded that neither an admonishment nor a reprimand would adequately reflect the seriousness of the Committee's findings.
139. The Committee then considered whether a severe reprimand would be an appropriate sanction. Again, taking account of the seriousness of its findings, the Committee did not consider that a severe reprimand would be sufficient or proportionate.
140. Miss Zhang had been found to have acted dishonestly in her conduct. The Committee was concerned that, based on its findings, the objective of her dishonest conduct was to gain an unfair advantage over those who had approached their practical training in an honest way. Due to the lack of legitimate evidence regarding her training, she had become a member when she may not have been competent to hold such a position. Therefore, this was conduct on Miss Zhang's part which had led to her achieving membership of ACCA to which she was not entitled. In this way, as stated, she presented a risk to the accountancy profession and the public.
141. In the Committee's judgement, Miss Zhang's overall conduct was fundamentally incompatible with being a member of ACCA and risked undermining the integrity of ACCA membership. The Committee adopted the Guidance which stated that the reputation of ACCA and the accountancy profession was built upon the public being able to rely on a member to do the right thing in difficult circumstances. It noted this was a cornerstone of the public value which an accountant brings.

142. The Committee had considered whether there were any reasons which were so exceptional or remarkable that it would not be necessary to exclude Miss Zhang as a member of ACCA but could find none.
143. The Committee concluded that the only appropriate, proportionate and sufficient sanction was to order that Miss Zhang shall be excluded from membership of ACCA.

### **COSTS AND REASONS**

144. The Committee had been provided with a simple cost schedule (page 1) and a detailed cost schedule (pages 1 to 2).
145. The Committee concluded that ACCA was entitled to be awarded costs against Miss Zhang, all allegations, including dishonesty, having been found proved. The amount of costs for which ACCA applied was £6,242.08. Taking account of the complexity of the case, the Committee did not consider that the costs incurred were unreasonable. The Committee noted that the amount of estimated time claimed in respect of today's hearing was greater than the time the hearing had actually taken.
146. Miss Zhang had provided the Committee with details of her financial circumstances. Whilst no documentary evidence had been provided to support the figures contained in the statement of her means, the Committee had taken account of the Guidance and accepted that Miss Zhang was of very limited means.
147. In all the circumstances, the Committee exercised its discretion when determining the amount Miss Zhang should be expected to pay. The Committee considered that it was reasonable and proportionate to award ACCA costs in the reduced amount of £200.

### **EFFECTIVE DATE OF ORDER**

148. Taking into account all the circumstances, and on the application of Mr Slack, the Committee decided that it was necessary, and in the interests of the public, for this order to take immediate effect.
149. In reaching its decision, the Committee took account of the fact that Miss Zhang had obtained her ACCA membership by dishonest means. In failing to engage with ACCA and this hearing, there was insufficient information to know whether or not Miss Zhang is continuing to hold herself out as a member of ACCA.
150. Therefore, as stated, the Committee concluded that it was in the interests of the public for the order to take immediate effect.

**Ms Valerie Paterson**  
**Chair**  
**10 January 2024**