

HEARING

**DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF
CHARTERED CERTIFIED ACCOUNTANTS****REASONS FOR DECISION**

In the matter of:	Miss Yingrui Jin
Heard on:	Wednesday, 24 January 2024
Location:	Virtual hearing using Microsoft Teams
Committee:	Ms Valerie Paterson (Chair) Ms Wanda Rossiter (Accountant) Mr Andrew Skelton (Lay Member)
Legal Adviser:	Mr David Marshall
Persons present and Capacity:	Ms Elaine Skittrell (ACCA Case Presenter) Miss Mary Okunowo (Hearings Officer)
Summary:	Dishonesty and misconduct proved.
Sanction:	Removal from affiliate register with immediate effect.
Costs:	£5,000

1. The Committee heard an allegation of misconduct against Miss Jin. Ms Skittrell appeared for ACCA. Miss Jin was not present and not represented.
2. The Committee had a main bundle of papers containing 281 pages, a supplementary bundle containing 30 pages, an additional bundle containing

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60 pages and a service bundle containing 19 pages.

PROCEEDING IN ABSENCE

3. The Committee was satisfied that Miss Jin had been served with the documents required by regulation 10(7) of The Chartered Certified Accountants' Complaints and Disciplinary Regulations 2014 in accordance with regulation 22. The required documents were contained in the papers before the Committee. There was evidence that they were sent by email on 27 December 2023 to an email address notified by Miss Jin to ACCA as an address for all correspondence. That was 28 days ago.
4. There had been some engagement with Miss Jin. She had signed a Case Management Form on 25 August 2023 in which she said she would not be attending the hearing. On 11 January 2024 she had emailed to say she would not be attending after unsuccessful attempts to telephone her. The Committee was satisfied that Miss Jin knew that these proceedings were taking place but had chosen not to take part. The allegations in this matter were very serious and the Committee considered that the public interest required that a hearing take place without undue delay. The Committee considered that nothing would be gained by an adjournment. There was no reason to think that Miss Jin would attend an adjourned hearing.
5. The Committee determined to proceed in Miss Jin's absence.

ALLEGATION(S)/BRIEF BACKGROUND

6. Miss Jin was registered as an ACCA student on 17 August 2011. On 18 January 2021 she became an ACCA Affiliate, having passed her ACCA exams. An Affiliate is entitled to work as an accountant to gain practical experience with a view to ultimately gaining full membership of ACCA. Such a person is commonly referred to as an ACCA trainee.
7. On or about 03 February 2021 Miss Jin applied for membership. Regulation 3(a) of ACCA's Membership Regulations 2014 (amended 01 January 2023) provides that one of the qualifications for membership is that the applicant has

'completed three years of approved experience in accordance with the Association's Practical Experience Requirement' ('PER'). The PER involves completing 36 months supervised practical experience in a relevant role and demonstrating that the trainee has achieved the required number of performance objectives ('POs'). These are benchmarks of effective performance describing the types of work activities they would have been involved in as a trainee accountant. A trainee has to achieve nine POs in total. 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.

8. The POs have to be completed under the supervision of a qualified accountant. A person is recognised by ACCA as a qualified accountant if that person is a qualified accountant recognised by law in the trainee's country and/or is a member of an IFAC body, (IFAC is the International Federation of Accountants). The supervisor would typically be the trainee's line manager but ACCA recognises that a line manager may not meet the definition of 'qualified accountant' so another person can be acceptable.
9. When Miss Jin applied for membership, she relied on her PER training record. The supervisor named was 'Person A', said to be a member of the Chinese Institute of Certified Public Accountants (CICPA), an IFAC registered body. ACCA says that there are up to 100 similar cases in which trainees have applied for membership of ACCA on the basis of alleged supervision by Person A. ACCA's case is that although there is a 'Person A' who is a member of CICPA, that person did not supervise any of those trainees. In particular ACCA alleges that Person A did not supervise Miss Jin and has no knowledge of her.
10. Miss Jin faced the following allegations:

Schedule of Allegations

Yingrui Jin ('Miss Jin'), at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 03 February 2021 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 October 2014 to 18 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:
 - Performance Objective 1: Ethics and professionalism
 - Performance Objective 2: Stakeholder relationship management
 - Performance Objective 4: Governance, risk and control
 - Performance Objective 7: Prepare external financial reports
 - Performance Objective 11: Identify and manage financial risk
 - Performance Objective 18: Prepare for and plan the audit and assurance process

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

- a) In respect of Allegation 1a), dishonest, in that Miss Jin 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 Jin knew they 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 Jin 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 they 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 Jin 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/ALLEGATION(S) AND REASONS

11. Miss Jin made no admissions in the Case Management Form she completed on 25 August 2023.
12. Ms Skittrell took the Committee through the documentary evidence including three witness statements from Person A. Person A stated that they had only ever supervised one ACCA trainee, a person who they named. That person was not Miss Jin nor was it one of the people in the approximately 100 similar cases mentioned above. In those cases, the supervisor had been registered as Person A, supported by a CICPA membership card. An email address for the supervisor had been supplied. Person A confirmed that the membership card was genuine, but the email address was not. They knew nothing about these other cases. Person A said that they had been asked for a copy of their card by their (genuine) trainee and it was 'quite possible' that he had misused it to facilitate these registrations.
13. Ms Skittrell also referred to witness statements from members of ACCA staff

producing documents and explanations in relation to Miss Jin's application. There was no oral evidence.

14. One of the witnesses, a Professional Development Manager at ACCA, said that they would 'expect a practical experience supervisor to have usually no more than about 2 to 3 trainees at any one time'. In this case, if the supervision had been genuine, there would have been many more trainees than this simultaneously, spread over a number of different employers. It therefore appeared likely these trainees had not complied with ACCA's PER requirements. After investigating they had found that many of the POs from different trainees were identical or very similar, indicating that they had been copied. Each PO statement should be unique.
15. Ms Skittrell referred to evidence of the resources available to ACCA trainees in China to help them to understand exactly what was required to gain ACCA membership. This included written instructions and also interactive resources such as webinars and a Wechat social media group. She submitted that so much information was available that it was not credible that an ACCA trainee might not understand what to do. The information was in English, but the students had taken their exams in English so would have sufficient fluency.
16. At an early stage in the investigation (01 April 2021) Miss Jin supplied what purported to be a letter from her employer confirming her employment since 04 January 2019 and her supervision by Person A. The letter stated that Person A was 'the CFO (partner) of Company A'. Ms Skittrell referred to a supplemental witness statement from Person A dated 20 October 2022 in which they stated, *'I have never worked for [Company A] in Wuhan or in any Company A office either in China or elsewhere'*. ACCA had also contacted the Human Resources Department of Company A group and had obtained an email stating that no such a person was shown in their employment records *'in all Company A's offices throughout China. Frankly speaking, a person born in 1990 couldn't be a partner in our accounting firm'*. The Committee placed no weight on the document submitted by Miss Jin which it regarded as fraudulent.
17. Miss Jin sent a detailed response to ACCA on 20 August 2022. In this she said that she met Person A when they came to Beijing for 'financial consulting'. She

went on: *'When I finished my PO, [Person A] also help me to modify some contents because i think [Person A] is more professional than me, and i am new.'* This was a reversal of Miss Jin's position. She was no longer saying that Person A supervised her work in 2019. She was admitting that Person A helped her with redrafting the content of her Performance Objective statement(s). In a follow up email to ACCA received on 10 September 2022 Miss Jin said, *'in my previous understanding, I thought it is ok if supervisor have cooperation with me, and understand my job, rather than close [supervision?]'*. The Committee regarded this is an admission that Person A did not in fact supervise Miss Jin's achievement of POs. In an email received on 24 September 2022 Miss Jin said *'part of reasons is about my misunderstanding of the application process'*. In the Case Management Form, she appeared to blame her supervisor for the false information.

Allegation 1(a)

18. It was clear from ACCA's records that Miss Jin applied for ACCA membership on or about 03 February 2021 naming Person A as her practical experience supervisor. The evidence of the genuine Person A and others showed that this was not true. Person A did not supervise Miss Jin's work. By the end of the investigation Miss Jin was no longer claiming that the supervision was genuine.
19. The Committee found Allegation 1(a) **proved**.

Allegation 1(b)

20. Miss Jin claimed to have met the nine POs listed. Unusually she claimed to have completed all nine POs in a single eleven-month employment with Company B from October 2014 to September 2015. It was clear from the evidence that the experience claimed was not genuine. ACCA conducted a careful analysis of the POs submitted by all the 100 trainees under investigation and compared Miss Jin's statements to the others. Six of Miss Jin's POs were identical, or very similar, to those of other applicants. The Committee concluded that on the balance of probabilities they had been copied and were not genuine examples of her experience.

21. The Committee rejected Miss Jin's explanation that she had misunderstood the application process. It accepted ACCA's evidence that there was an abundance of resources available to trainees about the application process. It was not credible that Miss Jin could have believed that what she was doing was authorised.
22. The Committee found Allegation 1(b) **proved**.

Allegation 2(a)

23. Miss Jin knew that Person A was not her supervisor and that her application to ACCA was false. The purpose of the application was to advance her own interests by obtaining ACCA membership to which she was not entitled.
24. This was clearly dishonest. The Committee found Allegation 2(a) **proved**.

Allegation 2(b)

25. A trainee's personal statement for each PO must be their own personal statement that is unique to them and their own experience. Miss Jin knew that she had not completed the POs which she claimed to have completed.
26. This was clearly dishonest. The Committee found Allegation 2(a) **proved**.
27. Allegation 2(c) was in the alternative and did not have to be considered.

Allegation 3

28. Allegation 3 was also in the alternative and did not have to be considered.

Allegation 4

29. The Committee had no doubt that deceiving one's professional body into granting membership by submitting false evidence of experience amounted to misconduct. It tended to subvert the integrity of the membership application

process. The Committee found Allegation 4 **proved**.

SANCTION(S) AND REASONS

30. The Committee considered what sanction, if any, to impose in the light of its findings, having regard to ACCA's Guidance for Disciplinary Sanctions (2023). It first sought to identify aggravating and mitigating factors.
31. The finding itself was clearly a serious one. Dishonesty in applying for membership is a very serious matter. It tends to undermine confidence in the ACCA qualification. By its nature such an act is committed for personal gain and puts the public at risk by potentially allowing an unqualified person to claim the same status as a fully qualified one. An aggravating factor was that the decision to take this route to qualification rather than an honest route was a premeditated one.
32. Ms Skittrell informed the Committee that there were no previous findings against Miss Jin. That was a mitigating factor. The Committee gave Miss Jin credit for the fact that she had engaged with the investigation to some extent. Some typical mitigating factors were absent in this case. Miss Jin had displayed no insight and given no indication that she accepted that she had committed misconduct or the seriousness of it. In the initial stages of the investigation, she submitted false evidence to cover up her actions. She continued to deny her culpability throughout.
33. The Committee was quite satisfied that a sanction was required in this case. It considered the available sanctions in order of seriousness having regard to ACCA's sanctions guidance.
34. The Committee first considered the sanctions of admonishment and then reprimand but the guidance made it clear that these were not sufficient. For reprimand, the guidance states 'This sanction would usually be applied in situations where the conduct is of a minor nature and there appears to be no continuing risk to the public'. Falsifying a practical experience record to obtain membership cannot be described as a minor matter.

35. The Committee next considered the sanction of severe reprimand. The guidance states that this sanction would usually be applied in situations where the conduct is of a serious nature but there are particular circumstances of the case or mitigation advanced which satisfy the Committee that there is no continuing risk to the public, and there is evidence of the individual's understanding and appreciation of the conduct found proved. Those elements were not present in this case. The Committee went through the list of suggested factors in the guidance. Apart from previous good character, hardly any of the factors supporting a severe reprimand was present. Even if combined with a fine, a severe reprimand would not be sufficient to mark the seriousness of the misconduct in this case.
36. The Committee considered that Miss Jin's dishonest conduct was fundamentally incompatible with remaining as an ACCA affiliate and that the minimum sanction it could impose was removal from the affiliate register.
37. A person who has been removed can normally apply to be re-admitted after one year. The Committee considered whether to extend this period but decided that it was not necessary. If Miss Jin does apply for readmission her application will be scrutinised by the Admissions and Licensing Committee.

COSTS AND REASONS

38. Ms Skittrell applied for costs totalling £5,663.75. She accepted that the hearing would probably conclude earlier than had been estimated so the time-based costs for case presenter and Hearings Officer could be reduced.
39. The Committee was satisfied that the proceedings had been properly brought and that ACCA was entitled in principle to its costs. The Committee considered that the time spent and the sums claimed were reasonable. It was appropriate to make a reduction for the fact that the hearing would last for less time than estimated. That would reduce the reasonable costs to about £5,000.
40. The Committee considered Miss Jin's ability to make a contribution to costs of that order. In an email dated 16 September 2023 Miss Jin said, '*for financial information, [PRIVATE]*'. She did not submit a statement of financial position as

part of her Case Management Form. She did not submit any other evidence to support what she said. In the absence of any evidence of means, the Committee had no basis for assessing whether a reduction should be made or, if so, how large the reduction should be. The Committee concluded that she should be ordered to pay £5,000 towards ACCA's costs.

41. Under Regulation 3 of ACCA's Appeal Regulations 2014, Miss Jin may be able to appeal against the costs order if she can show that 'compliance with it would result in severe financial hardship' to her.

EFFECTIVE DATE OF ORDER

42. Ms Skittrell submitted that Miss Jin would represent a danger to the public during the period before which this order came into effect. The Committee agreed. Miss Jin currently had a form of ACCA membership which others would rely on as a guarantee of her probity. It would enable her to perform accountancy services and gain employment as a professionally qualified accountant. The Committee determined to order immediate removal.

ORDER

43. The Committee **ordered** as follows:
- (a) Miss Yingrui Jin shall be removed from the affiliate register of ACCA.
 - (b) Miss Yingrui Jin shall pay a contribution to ACCA's costs assessed at £5,000.
 - (c) This order shall take immediate effect.

Ms Valerie Paterson
Chair
24 January 2024