

## HEARING

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

#### REASONS FOR DECISION

**In the matter of:** Miss Yuanxin Zhang

**Heard on:** Tuesday, 30 January 2024

**Location:** Hearing held remotely

**Committee:** Ms Kathryn Douglas (Chair),  
Dr David Horne (Accountant),  
Mr Nigel Pilkington (Lay Member)

**Legal Adviser:** Mr Richard Ferry-Swainson

**Persons present**

**and capacity:** Mr Benjamin Jowett (Case Presenter)  
Ms Anna Packowska (Hearings Officer)

**Summary:** Allegations 1(a), 1(b), 2(a), 2(b) and 4 found proved.  
Member removed from the Affiliate Register with  
immediate effect and costs ordered.

#### INTRODUCTION/SERVICE OF PAPERS

1. The Disciplinary Committee (“the Committee”) convened to consider a number of Allegations against Miss Zhang, who did not attend, nor was she represented.

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2. The papers before the Committee were in a main bundle numbered 1 to 251, an additional bundle of 56 pages, a supplementary bundle of 22 pages and a 4-page tabled additional bundle. The Committee was also provided with a service bundle and a costs schedule.
3. Mr Jowett made an application to proceed in Miss Zhang's absence.
4. The Committee first considered whether the appropriate documents had been served in accordance with the Complaints and Disciplinary Regulations ("the Regulations"). The Committee took into account the submissions made by Mr Jowett on behalf of ACCA and also took into account the advice of the Legal Adviser.
5. Included within the service bundle was the Notice of Hearing, dated 2 January 2024, thereby satisfying the 28-day notice requirement, which had been sent to Miss Zhang's email address as it appears in the ACCA register. The Notice included details about the time, date and remote venue for the hearing and also Miss Zhang's right to attend the hearing, by telephone or video link, and to be represented, if she so wished. In addition, the Notice provided details about applying for an adjournment and the Committee's power to proceed in Miss Zhang's absence, if considered appropriate. There was a receipt confirming the email had been delivered to Miss Zhang's registered email address.

#### **PROCEEDING IN ABSENCE**

6. The Committee received and accepted legal advice on the principles to apply in deciding whether to proceed with the hearing in Miss Zhang's absence. The Committee was satisfied that the Notice had been served in accordance with the Regulations, which require ACCA to prove that the documents were sent, not that they were received. Having so determined, the Committee then considered whether to proceed in Miss Zhang's absence. The Committee bore in mind that although it had a discretion to proceed in the absence of Miss Zhang it should exercise that discretion with the utmost care and caution.

7. In her Case Management Form, completed on 29 March 2023, Miss Zhang indicated both that she would be attending the hearing and that she consented to the Disciplinary Committee dealing with the case in her absence. Accordingly, it was unclear whether or not she would actually attend the hearing.
8. On 1 April 2023, Miss Zhang sent an email to ACCA confirming she would attend the hearing, but if she could not attend due to her “*schedule*” she agreed for the hearing to proceed without her being present.
9. On 27 November 2023, ACCA wrote to Miss Zhang asking her to provide dates to avoid so that a hearing date could be arranged. She did not respond to that email.
10. On 15 December 2023 ACCA attempted to phone Miss Zhang to ask if she still wanted to attend the hearing as she had not responded to recent emails sent to her by ACCA. The attempt was unsuccessful and there was no option to leave a voicemail.
11. Miss Zhang did not respond to the Notice of hearing sent on 2 January 2024. She was also sent an email on the same day providing the link to access the documents in the case and asking her to confirm whether or not she would be attending the hearing. Miss Zhang did not respond to that email either. The Committee noted that when Miss Zhang sent emails to ACCA, during the investigation, she used the same email address as held and used by ACCA. Accordingly, the Committee was reassured that Miss Zhang should have received the Notice of Hearing and subsequent emails sent to her by ACCA. For each email sent there was a corresponding delivery receipt.
12. On 25 January 2024, the Hearings Officer sent an email to Miss Zhang asking her if she would be attending the hearing. No reply was received.
13. On 27 January 2024, the Hearings Officer sent an email to Miss Zhang asking her if she would be attending the hearing. No reply was received. The same day the Hearings Officer attempted to call Miss Zhang on the phone

number held by ACCA for her. The call was not answered and there was no option to leave a voicemail.

14. In an email sent on 29 January 2024, the Hearings Officer provided Miss Zhang with the link to join the hearing if she wished to do so. She was again asked to confirm whether she would be attending. No response was received.
15. The Committee noted that Miss Zhang faced serious allegations, including an allegation of dishonesty, and that there was a clear public interest in the matter being dealt with expeditiously. Miss Zhang had been given the option to apply for an adjournment and had not done so. There was nothing before the Committee to suggest that adjourning the matter to another date would secure Miss Zhang's attendance. In light of her limited engagement with ACCA in connection with this hearing, the Committee concluded that Miss Zhang had voluntarily absented herself from the hearing and thereby waived her right to be present and to be represented at this hearing. The Committee noted that Miss Zhang had essentially indicated that she would attend the hearing if her schedule allowed, but was content for the hearing to proceed in her absence if it did not. The obvious inference to draw was that her schedule had not allowed her to attend, or she had simply chosen not to engage any further with ACCA after April 2023.
16. In all the circumstances, the Committee decided that it was in the interests of justice and in the public interest that the matter should proceed, notwithstanding the absence of Miss Zhang. No adverse inference would be drawn from her non-attendance and the Committee would take into account her written responses to ACCA during the investigation.

### **ALLEGATIONS/BRIEF BACKGROUND**

17. It is alleged that Miss Zhang is liable to disciplinary action on the basis of the following Allegations:

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

1. Applied for membership to ACCA on or about 29 January 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 1 January 2016 to 29 January 2021 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 3: Strategy and innovation
    - Performance Objective 4: Governance, risk and control
    - Performance Objective 5: Leadership and management
    - Performance Objective 11: Identify and manage financial risk
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 she 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.
18. Miss Zhang was admitted as an ACCA Affiliate on 19 October 2020.
19. 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.
20. A person undertaking practical experience is often referred to as an ACCA trainee. 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.
21. As part of their practical experience, each trainee is required to complete nine performance objectives (POs) under the supervision of a qualified accountant. 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 (International Federations of Accountants) 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 should be unique to them. Through the online tool, the trainee then requests that their practical experience supervisor approves that PO.

22. 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 qualified supervisor. This means the same person can and often does approve both the trainee's time and achievement of POs.
23. If the trainee's line manager is not qualified, the trainee can nominate a supervisor who is external to the firm to supervise their work and approve their POs. This external supervisor must have some connection with the trainee's firm, for example as an external accountant or auditor.
24. Once all nine POs have been approved by the trainee's practical experience supervisor (whether internal or external) and their minimum 36 months of practical experience has been signed off, the trainee is eligible to apply for membership.
25. 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 had completed their PER training record in which they claimed their POs had apparently been approved by a particular supervisor, namely Person A as referred to in the Allegations).
26. A person purporting to be Person A registered as each trainee's supervisor on the basis of her being a member of the Chinese Institute of Certified Public Accountants (CICPA) - an IFAC registered body.

27. Person C, Manager of ACCA's Professional Development Team, provided a statement for the purposes of these cases. She stated she would not expect a supervisor to have more than 2-3 trainees at any one time. It is accepted all these trainees had different periods of training and some periods overlapped. ACCA is unable to produce precise figures as to how many trainees Person A allegedly supervised at any one time. A person claiming to be Person A had apparently supervised a very significant number of ACCA trainees at, or about, the same time.
28. A review was also carried out by the Professional Development Team which indicated the PO statements had been copied amongst a large number of these 100 trainees, who had all claimed to have been supervised by the same supervisor, namely Person A.
29. In light of the above, ACCA contacted Person A via CICPA. Person A denied having supervised any ACCA trainees. During this contact Person A provided ACCA with her email address.
30. As a result of the above, all 100 trainees were referred to ACCA's Investigations Team. By this date many of these trainees had obtained ACCA membership.
31. During ACCA's investigation of these cases, Person A was contacted, and she agreed to provide a statement. In her statement (provided to the Committee) she stated that although initially she advised ACCA, she had never supervised any ACCA trainees, she did then recall having supervised a single ACCA trainee. Person A provided ACCA with the name of the trainee, which was not Miss Zhang.
32. ACCA's records confirm Person A did act as a supervisor for this one trainee, who is not one of the 100 cases under investigation. In addition, she acted as supervisor for this trainee only to the limited extent of approving one of their nine POs, which she confirmed in her statement.



33. 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 her details were different to the person who had apparently supervised these 100 other trainees. This included her email address. The email address that was registered by Person A in connection with these 100 trainees was [redacted] This was different to the email address. Person A stated she has never had an email address containing [redacted].
34. The person who was registered as supervisor for the 100 trainees under investigation provided a copy of a CICPA registration card. Person A who ACCA has contacted has confirmed in her statement this is her registration card, but she did not provide this to ACCA.
35. Person B, Senior Administrator in ACCA's Member Support Team, provided a statement explaining ACCA's membership application process. She stated that once an application is received, this is recorded in ACCA's Prod database by an automated process. Person B exhibited to her statement a sample record. The corresponding record for Miss Zhang was provided to the Committee and records her application being received on 29 January 2021.
36. Following her application, but prior to this matter being referred to investigations, there was email correspondence between Miss Zhang and ACCA.
37. A few days after Miss Zhang's membership application had been received, ACCA emailed Miss Zhang, on 3 February 2021, acknowledging receipt and advising her application had been selected for a practical experience audit. She was advised the audit would take place as soon as possible.
38. On 24 February 2021, ACCA's Professional Development Team emailed Miss Zhang, requesting that as part of this audit Miss Zhang provide a letter from her employer confirming details contained in her PER training record and also confirming her and her employer's relationship with Person A.

39. ACCA has no record of any response to this email. However, on 21 June 2021, Miss Zhang emailed ACCA, advising she had sent the “*required documents*” many days ago but her application was still on hold. On the same day, ACCA responded, advising Miss Zhang that she had used an email address which was not registered with ACCA and asking her to provide personal details so ACCA could respond.
40. On the same day Miss Zhang responded with those details, advising “*this should be the new address.*” As these emails were through ACCA’s CEC system, the email header is not included in all these emails, including this response. However, when ACCA responded to this email, the email header is included. This records the email address as [redacted] being Miss Zhang’s current ACCA registered email address. As part of that response, ACCA reminded Miss Zhang that she had yet to provide a letter from her employer verifying the details in her PER training record.
41. Miss Zhang responded the following day stating, “*hello! The appendix is my confirmation letter.*” Attached to this email was a letter purportedly from her employer, [redacted]. In particular, this stated the following: “*This is to certify that Yuanxin Zhang (ACCA ID: [redacted]), is employee of [redacted] she works in our firm since 01/01/2016 to current, her position is accountant...*”
42. The letter goes on to described Miss Zhang’s ‘Main Responsibilities’ and then adds, “*[Person A] is the CFO (partner) of [redacted] Although [Person A] and Yuanxin Zhang come from different branches, they would cooperate to complete a large-scale project, therefore there are some cooperation about accounting work between [Person A and Yuanxin Zhang. [Person A] often assign working task to Yuanxin Zhang who needs to report her working progress regularly to [Person A]. So it is reasonable that [Person A] can be IFAC Qualified external supervisor.*”
43. Although the letter is on [redacted] letter-headed paper and dated 30 March 2021, there is no signature and no identity of the person who wrote it.

44. ACCA made enquiries with [redacted] in May 2021. A copy of the CICPA registration card for Person A was provided to [redacted] during the email exchange. The email exchange was between ACCA's investigating officer and [redacted].
45. In summary, the HR manager advised that the Chinese characters in the CICPA registration card were clear enough to allow them to inquire in their HR system and that there was "*no such person in all BDO's offices throughout China*" named Person A. The CICPA registration card included a date of birth with the year of birth being [redacted]. The HR manager advised that a person born in [redacted] could not be a partner.
46. ACCA also contacted Person A, asking whether she had worked or works at any [redacted] to which she said she had not. A copy of her statement in relation to this point was provided to the Committee.
47. As part of ACCA's investigation into these cases, ACCA's Professional Development Manager, Person C, confirmed in her statement the following:
- 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.
  - 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.
  - In total a trainee is required to complete nine POs. The POs numbered 1 to 5 are compulsory. There are then a number of 'Technical' POs, from which the trainee needs to choose 4. 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.'*

- 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.
- A trainee's personal statement for each PO must be their own personal statement that is unique to them and their own experience. This has been consistently referred to in ACCA's published guides (which Person B exhibited to her statement). 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.'*

- ACCA's PER guides are available online in China. The Guides are printed in English and Mandarin, however all Chinese trainees will have taken

their exams in English and therefore it would follow that they have a reasonable command of the English language.

- A practical experience supervisor means a qualified accountant who has worked closely with the trainee and who knows the trainee's work. "Qualified accountant" means a member of an IFAC member body and/or a body recognised by law in the trainee's country.
- A practical experience supervisor is usually the trainee's line manager. However, where the trainee's manager is not IFAC qualified, the trainee can appoint an external supervisor who is. In all but one of the 100 cases, including this case, Person A was recorded as an external supervisor. ACCA's PER guide (as exhibited to Person B's statement) 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.'*

- Trainees must enter their practical experience supervisor'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. On the dates Person A was allegedly appointed supervisor for these 100 trainees, 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.
- All practical experience supervisors have to be registered with ACCA and as part of that registration process have to provide evidence, they are a qualified accountant. Person A apparently provided evidence to ACCA in the form of a registration card from CICPA. As such she was, from

ACCA's point of view, a 'qualified accountant.' (A copy of this registration card is exhibited to Person C's statement).

48. Information has been obtained from one of ACCA's China offices in China about the support given to ACCA trainees in China, as follows:

- 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.
- The Committee was provided with 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, further details of which were provided to the Committee. 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...'*

- These are live webinars and therefore trainees can ask ACCA China staff questions.
- The webinar details refer to encouraging affiliates to join the ACCA WeChat group of their regional service group and provides details of 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.
- In addition to the WeChat groups, ACCA China uploads to its WeChat platform articles relevant to the ACCA membership process. Provided with the papers for the Committee was a list of those articles (translated using Google translate). This included an article 'How to become an

ACCA Member Series 1/ Practical Experience Requirement (PER) Quick Guide', dated 15 January 2020. A copy of the article was also provided. 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...'*

- 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;....*

49. Miss Zhang's PER training record indicates that she was employed by one firm, namely [redacted]. In particular it records the following:

- Miss Zhang was employed by the above firm from 1 January 2016 and an 'accountant.' No end date has been recorded. This suggests she remained employed at least up to the date her time / experience was approved on 29 January 2021.

- The PER records this as 61 months of relevant practical experience which relates to the period of employment referred to in the paragraph immediately above.
  - In this role, the training record refers to two supervisors, Person A who was authorised to approve her POs only and [redacted] who was authorised to approve her experience / time claim only.
  - In relation to the POs, the PER records that Miss Zhang requested Person A to approve all nine POs on 19 January 2021 and Person A apparently approved all nine POs on the same day.
  - The Supervisor details for Miss Zhang records that Person A was an 'IFAC qualified external supervisor.' Given she was external to the firm Miss Zhang was working in, Person A was only permitted to approve Miss Zhang's achievement of her POs and not the period of her employment in the firm referred to.
  - [redacted] approved Miss Zhang's period of employment at the firm on 29 January 2021.
  - The Supervisor details for Ms Zhang record that [redacted] was a 'non IFAC qualified line manager' and hence why [redacted] only approved Miss Zhang's time / experience claim.
50. As referred to by Person C, all PO statements should be unique and must not be copied from other trainees or from templates as this undermines the PER element of the ACCA qualification.
51. As part of ACCA's investigation a careful analysis was carried out comparing the POs of each trainee who claimed to have been supervised by Person A. 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 any other trainee who claimed to have been supervised by Person A.



52. Where PO statements were the same or significantly similar to the POs of any other trainees, this would suggest at the very least, the trainee had not met the objective in the way claimed or possibly at all. That further, the practical experience claimed, had not been supervised by a practical experience supervisor, who would or should have knowledge of the trainee's work.
53. This analysis was made possible in part by the company which provides ACCA with the online PER tool providing an Excel spreadsheet with all the POs downloaded from these 100 trainees. ACCA's investigating officers were then able to analyse these POs from that spreadsheet. In carrying out this analysis, ACCA has 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 is evidence suggesting otherwise.
54. The 'first in time date' is the date the trainee requested that Person A approve the PO in question within their PER. This is 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.
55. In relation to Miss Zhang the analysis revealed:
- Four of her PO statements were first in time; and
  - Five of her PO statements, not being the first in time, were identical or significantly similar to the POs contained in the PERs of many other ACCA trainees who claimed to have been supervised by Person A.
56. On 1 September 2022, ACCA emailed Miss Zhang, notifying her of this matter. Attached to the email was a covering letter, which set out in detail the matters being investigated and asked for a response to a number of questions.

57. In an email dated 13 October 2022, Miss Zhang provided a response to that letter. In particular she stated:

*“...It is sincerely sorry to be informed of such situation occurred. To be honest, I am unfamiliar with HT. After I passed all exams, I was buried in finishing my degree and preparing for autumn job application at the same time. Also, I discovered that holding an ACCA certificate may contribute to my career but the length of my work experience may be inadequate. I claimed my concern through social media and someone, called [redacted] (‘MX’), contacted me. MX stated that he was experienced at applying for ACCA membership, so we added WeChat each other. I told him that I lacked work experience, but he stated that I can pass after reviewing my CV. I directly gave my account to him to let him apply for me. At that time, I tried to save time and energy through his assistance at the cost of ¥ 600, also shown in “Alipay1”. I received an internship offer at that time but would be started until February. Therefore, I escaped from thinking my behavior seriously and comforted myself through that I could have a 3-year work experience sooner or later.*

*In 2022/01/31, I received a message from [redacted] that my order “ACCA job application” has been closed. Therefore, I asked MX for the reason, as shown in “Wechat.” He told that ACCA didn’t reply for a long time, so he closed the order and advised me to apply after I have adequate word experience. At that time, my new internship is ongoing smoothly but my new internship is related to the stock market and the stock market condition is not very good, so I need to pay more attention to perform research and very often I sleep until 2 o’clock. Therefore, I failed to get further understanding about the reason for a long-time ‘on hold’ position. Also, I had accumulated one year and 6 months internship at that time, so I deemed if the application is still on-hold until I finished my 3-year work experience, I can update my PER record. After I received e-mail in September, I directly contacted MX through WeChat but he seems to delete my WeChat. But my busy internship prevented me to get a deeper understanding in time. Until now, I saw how MX wrote my PER record. In fact, I had an internship in [redacted], but not*

*for three years, just for one month. I cannot find wage material, but there are some work material and a document which can prove.*

*I would never escape from any punishment I deserved. And I should apologize for taking up your time to deal with such things. Sincerely sorry for that. I would never do such things again in the future and I would remind myself that integrity is the basic principle, not only for work, but also for life..."*

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

58. The Committee considered with care all the evidence presented and the submissions made by Mr Jowett. The Committee accepted the advice of the Legal Adviser and bore in mind that it was for ACCA to prove its case and to do so on the balance of probabilities.
59. On 29 March 2023, Miss Zhang completed a Disciplinary Committee Case Management Form. In that form she indicated that she admitted allegations 1(a), 1(b), 2(b), 2(c) (as an alternative to 2(a)), 3(a), 3(b) and 3(c).
60. When asked 'if you do not admit 2(a) please set out in summary why you deny the allegation', Miss Zhang wrote: "[redacted] ('MX') stated that I can pass PRE after reviewing my CV. Therefore, I directly gave my account to him to let him apply for me. Until ACCA informed me of the investigation results, I recognized the content of my PRE record. The confirmation letter is not written by myself. ACCA may receive some e-mails from MX asking for why my application is not approved."
61. In light of the lack of clarity in the Case Management Form, the Committee decided not to approach the case on the basis of any apparent admissions made in the Case Management Form and instead to consider each allegation as if it were contested.

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

62. The Committee considered there was ample evidence in the papers to prove that Miss Zhang had applied to ACCA to become a member on or about 29 January 2021. In doing so she purported to confirm, in relation to her PER, that her Practical Experience Supervisor in respect of her practical experience training in the period from 1 January 2016 to January 2021 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.
63. The Committee noted the content of [person C's] statement that describes ACCA's Practical Experience Requirements. The Committee was satisfied that Miss Zhang must have known the requirements of a practical experience supervisor from all the clear information provided by ACCA.
64. The Committee was provided with Miss Zhang's PER training record which was completed on or about 29 January 2021 and which permitted Miss Zhang to apply for membership. Miss Zhang's Supervisor record shows Person A was her 'IFAC qualified external supervisor,' and therefore her practical experience supervisor.
65. Miss Zhang's PER training record purports to show Person A approved all of her POs, as set out in Allegation 1b). However, contrary to this assertion, the statements from Person A , obtained by ACCA, make it clear that she denied acting as supervisor for any of the ACCA trainees, the subject of ACCA's investigation. She also denied ever having worked for [redacted] and this has been confirmed by [redacted]. Significantly, five of Miss Zhang's nine PO statements were the same as or significantly similar to other trainees, suggesting at the very least, that she had not achieved the objectives in the way she claimed or possibly at all.
66. Furthermore, the Committee considered it inherently unlikely that Person A could have supervised 100 trainees during a similar period.
67. In addition to the above, Miss Zhang's has admitted that she does not know Person A, that she relied on someone she contacted online to submit her

PER training record for the sum of 600 yen and she has admitted this allegation. She has also admitted that she did not work at [redacted] for three years as claimed but in fact she only worked there for a month as an intern. It follows that Miss Zhang accepts the time claim in her PER training record of 61 months is false. It is also apparent from her response that Miss Zhang was aware at the time she engaged MX that she was required to complete 36 months of practical experience and that she had nothing like that experience. Yet despite this, she was willing to engage MX as described above.

68. Accordingly, for all these reasons the Committee found Allegation 1(a) proved.

**Allegation 1(b) - proved**

69. Miss Zhang's training record confirmed that she had achieved the POs stated when, at the very least, she cannot have achieved them in the way recorded since they were apparently fictitious accounts and not her own. There was no evidence provided by Miss Zhang to show that she had legitimately achieved the five identified performance objectives claimed in her training record. The Committee noted that:

- a) Miss Zhang's PO1 statement was identical or significantly similar to another trainee whose PO1 statement was purportedly approved by Person A;
- b) Miss Zhang's PO3 statement was identical or significantly similar to another trainee whose PO3 statement was purportedly approved by Person A;
- c) Miss Zhang's PO4 statement was identical or significantly similar to two other trainees whose PO4 statements were purportedly approved by Person A;

- d) Miss Zhang's PO5 statement was identical or significantly similar to another trainee whose PO5 statement was purportedly approved by Person A;
  - e) Miss Zhang's PO11 statement was identical or significantly similar to another trainee whose PO9 statement was purportedly approved by Person A.
70. Each student's practical experience should be unique to them and the possibility of recording exactly or nearly exactly the same as another student is simply not plausible. The only likely explanation is that they were copied from some template. Furthermore, the Committee took into account Person A's statement that she had not acted as supervisor to Miss Zhang.
71. In addition to the above, Miss Zhang has admitted that Person A did not supervise her and she has admitted this allegation.
72. Given the near identical nature of the five identified PO statements to other trainees purportedly approved by Person A, Miss Zhang's admissions and the evidence from Person A, the Committee found Allegation 1(b) proved.

**Allegation 2(a) & 2(b) - proved**

73. The Committee then considered whether the behaviour found proved in Allegations 1(a) and 1(b) was dishonest. Whilst it considered each separately, the Committee recognised that they were clearly linked. The Committee considered what it was that Miss Zhang had done, what her intentions were and whether the ordinary decent person would find that conduct dishonest.
74. Miss Zhang has admitted 2(b), but denied 2(a).
75. Miss Zhang has admitted she does not know Person A and therefore Person A could not have supervised her. She has admitted that she did not work at BDO for three years as claimed, but was in fact just an intern for one month.

It follows that the two emails she sent in June 2021 (referred to in paragraphs 41 and 42 above) attaching a letter purporting to be from [redacted], contained falsehoods and were attempts to deceive ACCA into believing that she has worked at [redacted] and that Person A had been her supervisor.

76. Miss Zhang accepts she did not have sufficient practical experience to apply for ACCA membership. However, rather than make enquiries with ACCA she engaged a third party to deal with her membership application in its entirety and who completed her PER training record on her behalf.
77. There is extensive advice online in English and in Mandarin on how an ACCA trainee must complete their PER training record. This makes it clear trainees must be supervised during their period of practical experience. It also makes it clear the statements supporting their POs have to be written by trainees in their own words and as such must be unique. This would, in the Committee's view, be obvious given the trainee's experience will be unique to them.
78. Given the extensive advice available online, the Committee did not consider it to be credible that Miss Zhang could have been unaware her practical experience had to be supervised or the statements supporting her POs had to be in her own words and describing the experience she had actually gained to meet the relevant PO.
79. In relation to the statement purportedly from Miss Zhang's employer claiming she had been supervised by Person A, it is accepted by ACCA that there is a possibility the email to which it was attached may have been sent to ACCA by [redacted] or an unknown third party. However, the evidence suggests this document was attached to an email from Miss Zhang's current ACCA registered email address. That being so, it is highly unlikely she would not have been aware of that email or the subsequent responses from ACCA. In that regard the statement claims Person A was a partner at the accountancy firm [redacted] which Person A has denied, as has [redacted].
80. In her attempt to achieve membership, Miss Zhang claimed to have been supervised by Person A in her PER training record, which she knew was

untrue and claimed to have achieved the POs with the use of supporting statements which she also would have known had not been written by her. She therefore knew she had not achieved the PO's as described in these statements or at all.

81. The Committee noted that five POs ACCA had identified were identical or significantly similar to many other trainees' POs purportedly approved by Person A. The Committee was satisfied on the evidence that Miss Zhang must have done the same with those POs, namely copied or adopted them or relied on the person she contacted on the internet to do that for her. The only realistic explanation was that someone provided stock responses, which had been used for many other students, and Miss Zhang copied or adopted them and pretended they were her own or relied on the person she paid online to do it for her. The only reason for doing so was to deceive ACCA into believing she had the relevant experience shown in those POs and thereby to allow her to apply to become a member of ACCA.
82. On the evidence, therefore, the Committee was satisfied that Miss Zhang knew the PER supervisor requirements, that she, on her own admission knew that Person A was not supervising her and that she could not, therefore, legitimately rely on Person A to sign off her POs. Furthermore, the Committee was satisfied on the balance of probabilities, that the aforementioned POs Miss Zhang submitted, or which had been submitted on her behalf, were not genuine and could not, therefore, reflect the work experience she had completed, but rather were stock answers provided by whoever was co-ordinating all these stock responses.
83. In addition, the Committee took into account the evidence of Person A that she had not acted as Miss Zhang's supervisor, she had not signed off any of her POs and she had never worked at [redacted] as claimed by Miss Zhang.
84. The Committee could not know the precise mechanics of how the PO statements were completed. However, whatever process was followed it was clear from her own response that Miss Zhang was complicit in, and entirely aware of, the provision of false POs so that she, Miss Zhang, could either



add those to her PER, or rely on a third person online to do it for her, and subsequently illegitimately apply to become an ACCA member.

85. In addition, Miss Zhang provided no evidence to demonstrate that she had achieved the five performance objectives she claimed, in the manner she claimed or at all, but rather relied on stock answers provided by a third party and lied about Person A being her supervisor. She then sent emails to ACCA containing falsehoods about her employment at [redacted] and Person A's role as her supervisor, in an attempt to deceive ACCA. The Committee was in no doubt that an ordinary decent member of the public, in full possession of the facts of the case, would find the entirety of this conduct to be dishonest.
86. The Committee noted that Miss Zhang admitted she had been dishonest in saying she had achieved the five POs detailed in Allegation 1(b), yet denied being dishonest in relation to Allegation 1(a), despite knowing that Person A was not her supervisor. The Committee did not find this to be remotely credible.
87. The Committee therefore found Allegations 2(a) and 2(b), on the balance of probabilities, proved.
88. Having found Allegations 2(a) and 2(b) proved it was not necessary for the Committee to consider Allegations 2(c) or 3(a),(b) and (c), which were alleged in the alternative.

#### **Allegation 4 - found**

89. Having found the facts proved in Allegations 1(a), 1(b), 2(a) and 2(b), the Committee then considered whether they amounted to misconduct. The Committee considered there to be cogent evidence, not least an admission to this effect by Miss Zhang, to show that she sought the assistance of a third party online to provide false POs and to act as her PES in order to allow her, Miss Zhang, to, illegitimately, apply to become a member of ACCA. This premeditated and calculated dishonest behaviour demonstrated a complete disregard for ACCA's membership process and allowed Miss Zhang to apply

to become a member of ACCA when not qualified to do so. Such behaviour seriously undermines the integrity of the membership process and the standing of ACCA. It brings discredit upon Miss Zhang, the profession and ACCA. The Committee considered this behaviour to be very serious; it would be considered deplorable by other members of the profession and the public and the Committee was in no doubt it amounted to misconduct.

90. The Committee therefore found misconduct in relation to the matters set out in 1(a), 1(b), 2(a) and 2(b) inclusive.

### **SANCTION AND REASONS**

91. In reaching its decision on sanction, the Committee took into account the submissions made by Mr Jowett. The Committee referred to the Guidance for Disciplinary Sanctions issued by ACCA and had in mind the fact that the purpose of sanctions was not to punish Miss Zhang, but to protect the public, maintain public confidence in the profession and maintain proper standards of conduct, and that any sanction must be proportionate. The Committee accepted the advice of the Legal Adviser.
92. When deciding on the appropriate sanction, the Committee carefully considered the aggravating and mitigating features in this case.
93. The Committee considered the misconduct involved the following aggravating features:
- a deliberate, repeated, dishonest act for personal benefit at the expense of the public and the profession;
  - an element of premeditation, planning, and collusion with a third party;
  - undermining the integrity, and thereby undermining public confidence, in ACCA's membership process;

- potentially harmful to the public had she not been found out and been able to gain membership when not qualified to do so;
- submitting false documents in an attempt to deceive ACCA into believing she had worked at [redacted] and Person A was her supervisor;
- abuse of a position of trust;
- some insight as shown by her admissions, but a lack of insight into her dishonest behaviour;
- no evidence of remediation.

94. The Committee considered there to be the following mitigating factors:

- absence of any previous disciplinary history with ACCA;
- admissions made to some of the matters alleged, demonstrating a degree of insight;
- some expressions of regret and remorse, namely: *"I would never escape from any punishment I deserved. And I should apologize for taking up your time to deal with such things. Sincerely sorry for that. I would never do such things again in the future and I would remind myself that integrity is the basic principle, not only for work, but also for life..."*

95. The Committee did not think it appropriate, or in the public interest, to take no further action or order an admonishment in a case where an Affiliate of ACCA had disregarded the membership requirements and acted dishonestly when submitting information in connection with her PER.

96. The Committee then considered whether to reprimand Miss Zhang. The guidance indicates that a reprimand would be appropriate in cases where

the misconduct is of a minor nature, there appears to be no continuing risk to the public and there has been sufficient evidence of an individual's understanding, together with genuine insight into the conduct found proved. The Committee did not consider Miss Zhang's misconduct to be of a minor nature and she had shown limited insight. Dishonest behaviour is very serious. Accordingly, the Committee concluded that a reprimand would not adequately reflect the seriousness of the misconduct in this case.

97. The Committee then considered whether a severe reprimand would adequately reflect the seriousness of the case. The guidance indicates that such a sanction would usually be applied in situations where the conduct is of a serious nature but where 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. The Committee considered none of these criteria to be met. The guidance adds that this sanction may be appropriate where most of the following factors are present:

- the misconduct was not intentional and no longer continuing;
- evidence that the conduct would not have caused direct or indirect harm;
- insight into failings;
- genuine expression of regret/apologies;
- previous good record;
- no repetition of failure/conduct since the matters alleged;
- rehabilitative/corrective steps taken to cure the conduct and ensure future errors do not occur;
- relevant and appropriate references
- co-operation during the investigation stage.

98. The Committee considered that very few of these factors applied in this case and that accordingly a severe reprimand would not adequately reflect the seriousness of Miss Zhang's behaviour. Her misconduct was intentional,

and she has demonstrated limited insight into her dishonest behaviour. She has offered expressions of regret or apology and she does have a previous good record, but there has been no evidence of rehabilitative steps. She had provided no references. It is right to say that she did co-operate during the investigation stage, but that did include an attempted cover up of her misconduct by submitting a false letter in an attempt to deceive ACCA, as referred to above.

99. In the Committee's view, to allow someone to remain as an Affiliate of ACCA who has lied about the identity of their personal experience supervisor and relied on false POs in an attempt to obtain membership of ACCA, would be contrary to the whole process of qualifying as a Member of ACCA. Furthermore, had Miss Zhang been admitted as a member there was the potential to harm a substantial number of clients given she may not have had the necessary experience to be qualified as a Member of ACCA.
100. The Committee noted that the Association provides specific guidance on the approach to be taken in cases of dishonesty, which is said to be regarded as a particularly serious matter, even when it does not result in direct harm and/or loss, or is related to matters outside the professional sphere, because it undermines trust and confidence in the profession. The guidance states that the courts have consistently supported the approach to exclude members from their professions where there has been a lack of probity and honesty and that only in exceptional circumstances should a finding of dishonesty result in a sanction other than striking off. The guidance also states that the public is entitled to expect a high degree of probity from a professional who has undertaken to abide by a code of ethics. The reputation of ACCA and the accountancy profession is built upon the public being able to rely on a member to do the right thing in difficult circumstances. *"It is a cornerstone of the public value which an accountant brings."*
101. The Committee bore in mind these factors when considering whether there was anything remarkable or exceptional in Miss Zhang's case that warranted anything other than removal from the Affiliate Register. The Committee was of the view that there were no exceptional circumstances that would allow it

to consider a lesser sanction and concluded that the only appropriate and proportionate sanction was removal. The Committee was cognisant of the severity of this conclusion. However, providing false information about one's practical experience supervisor in order to satisfy one's PER represents behaviour fundamentally incompatible with being an Affiliate of ACCA and undermines the integrity of ACCA's membership process. The PER procedure is an important part of ACCA's membership process, and the requirements must be strictly adhered to by those aspiring to become members.

102. In the Committee's view, Miss Zhang's dishonest conduct was such a serious breach of bye-law 8 that no other sanction would adequately reflect the gravity of her offending behaviour.
103. The Committee also considered that a failure to remove an Affiliate from the Register who had behaved in this way would seriously undermine public confidence in the profession and in ACCA as its Regulator. The public needs to know it can rely on the integrity, ability, and professionalism of those who aspire to be members of ACCA. In order to maintain public confidence and uphold proper standards in the profession it was necessary to send out a clear message that this sort of behaviour is unacceptable.
104. The Committee therefore ordered that Miss Zhang be removed from the Affiliate Register.

#### **COSTS AND REASONS**

105. ACCA applied for costs in the sum of £5,845.00 to cover the costs of bringing this case. The Committee was provided with a schedule of costs. The Committee was satisfied that the costs claimed were appropriate and reasonable. The Committee noted that although listed for two days, the costs had been calculated based on one day only. However, the costs of the Hearings Officer and Case Presenter included in the sum quoted were based upon a full day when in fact the hearing took less than a whole day. Accordingly, the figure would be reduced to reflect this.

106. When submitting her Case Management Form in March 2023, Miss Zhang completed a 'Statement of Financial Position' [PRIVATE]. However, the Committee also had in mind the principle that members against whom an allegation has been found proved should pay the reasonable and proportionate cost of ACCA in bringing the case. This was because the majority of members should not be required to subsidise the minority who, through their own failings, have found themselves subject to disciplinary proceedings.
107. In deciding the appropriate and proportionate Order for costs the Committee took into account the above factors and decided to make an Order for costs in the sum of £1,750.00.

#### **EFFECTIVE DATE OF ORDER**

108. In light of its decision and reasons to remove Miss Zhang from ACCA's Affiliate Register and the seriousness of her misconduct, the Committee decided it was in the interests of the public to order that the sanction have immediate effect.

**Ms Kathryn Douglas**  
**Chair**  
**30 January 2024**