

HEARING

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

In the matter of: Ms Xinyu Zhou

Heard on: 03 July 2024

Location: Remotely via Microsoft Teams

Committee: Mr Maurice Cohen (Chair)
Mr David Horne (Accountant)
Mr Andrew Skelton (Lay)

Legal Adviser: Mr Robin Havard

**Persons present
and capacity:** Mr Alex Mills (ACCA Case Presenter)
Ms Sofia Tumburi & Ms Mary Okunowo (Hearings Officers)

Observers: None

Summary Allegations 1, 2(a), 4(a), (b), & (c), & 5(a) were found proved.

Sanction Exclusion from membership of ACCA with immediate effect

Costs: £4,848.50

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PRELIMINARY APPLICATIONS

SERVICE OF PAPERS

1. The Committee had considered the following documents: a Report and Evidence Bundle (pages 1 to 255); an Additional Bundle 1 (pages 1 to 11); a bundle of Performance Objectives relating to the complaint against Ms Zhou (pages 1 to 34), and a Service Bundle (pages 1 to 26). The Committee had listened carefully to the submissions made by Mr Mills and also considered legal advice, which it had accepted.
2. The Committee had read the letter dated 05 June 2024 sent from ACCA by email to Ms Zhou. 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 Ms Zhou'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) stipulated 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 Ms Zhou had access also contained the necessary information in accordance with CDR10.
5. Consequently, the Committee decided that Ms Zhou had been properly served with Notice of the proceedings.

PROCEEDING IN ABSENCE

6. Ms Zhou failed to respond to the email of 05 June 2024.
7. On 11 June 2024, ACCA tried to call Ms Zhou on the mobile number registered with ACCA. However, there was no answer nor was there the facility to leave a message.

8. On the same day, ACCA sent an email to Ms Zhou confirming their attempt to contact her by telephone, and again reminding her of the hearing on 03 July 2024, and of her ability to join by telephone or video. Ms Zhou was also asked to confirm whether, if she did not attend, she was content for the hearing to proceed in her absence. There was no response.
9. On 17 June 2024, ACCA tried to call Ms Zhou on the mobile number registered with ACCA. However, once again, there was no answer nor was there the facility to leave a message.
10. On the same day, ACCA sent another email to Ms Zhou, reminding her of the hearing date. Ms Zhou was asked again if she intended to attend. There was no response.
11. On 01 July 2024, ACCA tried for a third time to call Ms Zhou on the mobile number registered with ACCA. However, as on the two previous occasions, there was no answer nor was there the facility to leave a message.
12. On the same day, ACCA sent another email to Ms Zhou reminding her of the date of hearing, asking her to let ACCA know if she intended to attend, and confirmed that ACCA would send a link to enable her to join by video.
13. On this occasion, Ms Zhou finally responded, saying:

"Dear Sofia?

Thank you for your email. I am very confused about the hearing. Could you please help to explain what it is about? I think I have paid fees on time?

Best regards,

Xinyu"

14. On 02 July 2024, ACCA replied, setting out in detail the reasons for the hearing before the Disciplinary Committee, and the process she needed to follow to access the documents on her SharePoint folder. The email then indicated the nature of the documents Ms Zhou would find on her SharePoint folder. ACCA encouraged Ms Zhou to attend. She was informed that if she decided not to attend, it was still open to her, even at this late stage, to submit written evidence or submissions. She was also told that, if she wished to attend and needed the assistance of an interpreter, she should notify ACCA immediately. Finally, Ms

Zhou was informed that, if she wished to apply for an adjournment, she should refer to the document entitled, "Guidance on Requests for Adjournments" when making such an application.

15. ACCA had not received any written evidence or submissions from Ms Zhou nor had she requested an adjournment. Ms Zhou had been warned that the Committee may proceed with the hearing in her absence.
16. Later on 02 July 2024, ACCA sent an email to Ms Zhou reminding her of the hearing, and providing a link enabling her to join the hearing via Microsoft Teams.
17. The Committee considered that ACCA had done everything possible to enable Ms Zhou 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. Indeed, it is the same address as the email address used by Ms Zhou in her email of 01 July 2024.
18. The Committee also took into account Ms Zhou's failure to respond to correspondence in September and October 2023 as particularised in allegation 4 below.
19. Finally, and most importantly, the Committee placed considerable weight on the fact that Ms Zhou had responded on 01 July 2024 to the series of emails from ACCA which notified her of the date of hearing, how she could participate, and how she could apply for an adjournment if she was unable to attend.
20. In reply to Ms Zhou's email, ACCA had provided her with as much assistance as possible to enable her to understand the purpose of the hearing and how she could prepare for, and then participate in, the hearing.
21. The Committee concluded, on the balance of probabilities, that Ms Zhou was aware of today's hearing, which she could have joined by telephone or video link, but had voluntarily absented herself.
22. 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.

23. 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.
24. The Committee ordered that the hearing should proceed in the absence of Ms Zhou.

ALLEGATIONS

SCHEDULE OF ALLEGATIONS

Ms Xinyu Zhou ('Ms Zhou'), at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 06 March 2021 and in doing so claimed in her ACCA Practical Experience training record that she had achieved the following seven Performance Objectives:
 - Performance Objective 2: Stakeholder relationship management
 - Performance Objective 3: Strategy and innovation
 - Performance Objective 5: Leadership and management
 - Performance Objective 8: Analyse and interpret financial reports
 - Performance Objective 10: Manage and control working capital
 - Performance Objective 11: Identify and manage financial risk
 - Performance Objective 14: Monitor performance
2. Ms Zhou's conduct in respect of the matters described in Allegation 1 above was: -
 - a) Dishonest, in that Ms Zhou knew she had not achieved all or any of the performance objectives referred to in Allegation 1 above in the manner claimed in the corresponding performance objective statements or at all.
 - b) In the alternative, the conduct referred to in Allegation 1 above demonstrates a failure to act with Integrity.

3. In the further alternative to Allegations 2a) and 2b) above, such conduct was reckless in that Ms Zhou paid no or insufficient regard to ACCA's requirements to ensure the corresponding statements to the performance objectives referred to in Allegation 1 accurately set out how each objective had been met.
4. Failed to co-operate with ACCA's Investigating Officer in breach of Complaints and Disciplinary Regulation 3(1) in that she failed to respond fully or at all to any or all of ACCA's correspondence dated:
 - (a) 13 September 2023;
 - (b) 02 October 2023;
 - (c) 17 October 2023
5. By reason of her conduct, Ms Zhou is
 - a) Guilty of misconduct pursuant to ACCA bye-law 8(a)(i) in respect of any or all the matters set out at 1 to 4 above; in the alternative in respect of allegation 4 only
 - b) Liable to disciplinary action pursuant to bye-law 8(a)(iii)

DECISION ON FACTS, ALLEGATIONS AND REASONS

25. As stated above, and in reaching its decisions with regard to the allegations, the Committee had considered the following documents: a Report and Evidence Bundle (1) (pages 1 to 255); an Additional Bundle (pages 1 to 11); a Bundle of Performance Objectives relating to the complaint against Ms Zhou (pages 1 to 34), and a Service Bundle (pages 1 to 26). The Committee had listened carefully to the submissions made by Mr Mills and also considered legal advice, which it had accepted.

ALLEGATION 1

26. On 15 October 2018, Ms Zhou was admitted as an affiliate.
27. On 11 March 2021, Ms Zhou was admitted as a member.

28. Allegation 1 concerns the conduct on the part of Ms Zhou in relation to the completion of her practical experience training which is a prerequisite to applying for full membership of ACCA.
29. It is alleged that Ms Zhou sought to mislead ACCA in respect of the content of her Performance Objectives.
30. In reaching its findings of fact in respect of allegation 1, the Committee had considered carefully, and accepted, the evidence of the following witnesses:
- (i) Person A, a Senior Administrator in ACCA's Member Support Team as contained in a statement dated 20 October 2022, and
 - (ii) Person B, Manager of ACCA's Professional Development Team, as contained in a statement dated 05 February 2024.
31. None of the above evidence had been challenged by Ms Zhou.
32. 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

33. The following sets out the process Ms Zhou would have been required to follow, as detailed by Person B in her statement.
34. The following abbreviations have been used:
- PER – Practical Experience Requirement
 - PES – Practical Experience Supervisor;
 - PO – Performance Objective.
35. 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.

36. A person undertaking practical experience is often referred to as an ACCA trainee being the term used to describe Ms Zhou's status in the allegations, the report and the supporting evidence bundle.
37. 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.
38. 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.
39. 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.
40. 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.
41. Through the online tool, the trainee then requests that their PES approves that PO.
42. 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.

43. 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.

44. 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.'

45. 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.

46. 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.

47. 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.

48. 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."

49. 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.

50. 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."

51. 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. They are also available in Mandarin.

52. 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.

53. A person called Person C was appointed as Ms Zhou's PES. On the dates Person C was allegedly appointed supervisor for Ms Zhou, 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.

54. All PESs have to be registered with ACCA and those who claim to be IFAC qualified must also provide evidence of their qualification. Person C provided such evidence to ACCA in the form of a registration card from the Jiangsu Institute of Certified Public Accountants (JSICPA) The JSICPA, with other

similar institutes, are united under the Chinese national organisation, the Chinese Institute of Certified Public Accountants (CICPA), being an IFAC registered body. As such, the Committee was satisfied that ACCA was entitled to conclude that Person C was a 'qualified accountant'. The Committee had noted the copy of Person C's registration card exhibited to Person B's statement together with a translation obtained by ACCA.

55. Information from one of ACCA's China offices about the support given to ACCA trainees in China is as follows.

56. 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.

57. 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. 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...'

58. These are live webinars and therefore trainees are able to ask ACCA China staff questions.

59. 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.

60. 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...'

61. 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;...."*

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

THE ACCA'S INVESTIGATION

63. During 2023 it came to ACCA's attention that Ms Zhou, along with nine other ACCA trainees, had had their POs approved by the same PES, namely Person C. For all these trainees, Person C was recorded as their IFAC qualified external supervisor. These trainees formed part of a cohort of 100 trainees investigated by ACCA.
64. Person C registered as each trainee's supervisor on the basis of her being a member of the Chinese Institute of Certified Public Accountants (CICPA), being an IFAC registered body.
65. An initial review was carried out on the PER training records for these trainees which indicated some of the PO statements, which should be unique to each trainee, were identical or similar to those of other ACCA trainees.

66. Given the above, those trainees supervised by Person C and whose PO statements were identical or similar to others were referred to ACCA's Investigations Team. One such trainee was Ms Zhou.

THE PRACTICAL EXPERIENCE REQUIREMENT (PER) TRAINING RECORD FOR MS ZHOU

67. The Committee had considered a copy of the PER training record for Ms Zhou which recorded that she was employed by Company A. In particular, it recorded the following:

- The period of her employment was from 01 July 2014 to 23 November 2020;
- Her role was that of 'Manager' for the entire period of her employment;
- In red text, the training records stated that 77 months of relevant practical experience had been claimed, which related to the period of employment referred to in the above paragraph. The period of 77 months was also referred to on the front page of the training record. This was therefore in excess of the minimum requirement of 36 months;
- In her role as accountant, Ms Zhou's PER training record referred to two supervisors, as follows:
 - (i) Person D, who was authorised to approve Ms Zhou's time/ experience. Ms Zhou requested Person D approve her time/ experience claim on 06 March 2021 and Person D is recorded as approving that claim the same day.
 - (ii) Person C, who was authorised to approve Ms Zhou's performance objectives. Ms Zhou requested Person C to approve all nine of her performance objectives on 06 March 2021 and Person C was recorded as approving all Ms Zhou's performance objectives on the same day.

68. The Supervisor details for Ms Zhou recorded the following:

- (i) That Person D was her 'Non IFAC qualified line manager' and hence why Person D was only registered to approve Ms Zhou's time/ experience claim and did so on 06 March 2021.
- (ii) That Person C was her 'IFAC qualified external supervisor' and hence why Person C was only registered to approve Ms Zhou's performance objectives and she duly did so on 06 March 2021.

THE COMMITTEE'S DECISION IN RESPECT OF ALLEGATION 1

ANALYSIS, AND COMPARISON, OF MS ZHOU'S POS AS CONTAINED IN HER PER TRAINING RECORD WITH OTHER ACCA TRAINEES WHO FORMED PART OF ACCA'S INVESTIGATION

- 69. 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 would undermine the PER element of the ACCA qualification.
- 70. Following referral to ACCA's Investigations Team, a careful analysis was carried out on the PER training records of those trainees recorded as being supervised by Person C. The Committee was satisfied that this analysis revealed many of their PO statements were identical or similar to the PO statements of other ACCA trainees. As stated, these 'other trainees' were part of a cohort of 100 trainees all of whom had previously been referred to ACCA's investigations team given their PO statements within this cohort were also similar or identical.
- 71. The Committee was satisfied that, where PO statements of Ms Zhou were the same or significantly similar to the POs of any other trainees, it was a reasonable inference that Ms Zhou 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.

72. 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 evidence suggesting otherwise.
73. The 'first in time date' was the date the trainee requested that Person C 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 C.
74. In relation to Ms Zhou, the analysis revealed, and the Committee found:
- Seven of her nine PO statements were not first in time.
 - The same seven of her nine PO statements were identical or significantly similar to the POs contained in the PERs of other ACCA trainees previously referred to ACCA's Investigations Team.
75. The following statements submitted by Ms Zhou were the same, or effectively the same, as the trainees identified below:
- PO2 – Trainee 1;
 - PO3 – Trainees 2, 3;
 - PO5 – Trainee 1;
 - PO8 – Trainees 4, 5, 6, 7;
 - PO10 – Trainee 8;
 - PO11 – Trainee 9;
 - PO14 – Trainee 10.
76. The Committee noted that the wording itself was almost identical.
77. The following is an example of this approach. The example selected by the Committee was a statement submitted by Ms Zhou which was effectively identical to those of the other trainees listed above.

PO8

78. The Committee found that the words used by Ms Zhou in her "Analyse and interpret financial reports" PO statement ("PO8"), and which was submitted on 06 March 2021 and purportedly approved by Person C on the same day, were identical, or practically identical, to the words used by those trainees listed above for the same PO.

"Analysis and interpretation of financial data is the most basic task of my work, we analyze financial data and non-financial data to determine the status of a company. Here I would like to tell you through my personal experience how to master the task, last year the company assigned me to a company due diligence work, mainly to analyze the subject company's financial situation. I judge the company from four aspects, such as solvency index, operating ability index, profitability index and Development Ability Index. Solvency refers to the ability of the enterprise to repay the debt (including principal and interest) , including short-term solvency analysis and long-term solvency analysis. For example, current ratio, quick ratio, cash flow debt ratio, debt ratio and interest guarantee multiple, I get the relevant data from the financial statements, and then calculate the company's solvency, to determine whether the business is currently at risk of bankruptcy. Operating capacity I calculate the receivable turnover rate, inventory turnover rate, through the operating capacity to determine whether the company is operating normally, whether there is operating risk. Profitability is the ability to increase capital value, including gross profit rate and profit rate, mainly through profitability to judge the company's future development trend. Through this due diligence, I have a good grasp of the task, know how to calculate these data, use these indicators to contact the actual state of the company, the company is a good report to management."

79. The statement below is that of Trainee 4 for PO8, submitted on 31 August 2020 and approved on the same day:

"Analysis and interpretation of financial data is the most basic task of my work, we analyze financial data and non-financial data to determine the status of a company. Here I would like to tell you through my personal experience how to master the task, last year the company assigned me to a company due diligence work, mainly to analyze the subject company's financial situation. I judge the company from four aspects, such as solvency index, operating ability index, profitability index and Development Ability Index. Solvency refers to the ability of the enterprise to repay the debt (including principal and interest),

including short-term solvency analysis and long-term solvency analysis. For example, current ratio, quick ratio, cash flow debt ratio, debt ratio and interest guarantee multiple, I get the relevant data from the financial statements, and then calculate the company's solvency, to determine whether the business is currently at risk of bankruptcy. Operating capacity I calculate the receivable turnover rate, inventory turnover rate, through the operating capacity to determine whether the company is operating normally, whether there is operating risk. Profitability is the ability to increase capital value, including gross profit rate and profit rate, mainly through profitability to judge the company's future development trend. Through this due diligence, I have a good grasp of the task, know how to calculate these data, use these indicators to contact the actual state of the company, the company is a good report to management."

80. The Committee found that the similarities in the description of the work experience described by Ms Zhou and the other trainees meant that it was not credible that 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 seven of Ms Zhou's POs which were particularised in this allegation.
81. 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 claimed to have been gained as described in the statements.
82. The Committee had found that Ms Zhou had deliberately submitted PO statements which were identical, or practically identical, to the PO statements of other trainees who had purported to be supervised by Person C, when Ms Zhou knew they did not accurately reflect the work that she had undertaken.
83. No evidence had been provided to support the description of the work allegedly carried out by Ms Zhou to satisfy POs 2, 3, 5, 8, 10, 11 and 14 when working at Company A.
84. The Committee noted that ACCA had sent emails to Person C and Person D, using the email addresses included in Ms Zhou's PER asking them to confirm that they had acted as Ms Zhou's supervisor during the relevant period. The Committee also noted that the email to Person C had been delivered

successfully but there had been no response. The delivery receipt notification of the email to Person D recorded that the email could not be delivered and that the error message stated, "User suspended". ACCA also sent an email to Company A, asking them to confirm the dates on which Ms Zhou had been employed but there had been no response.

85. The Committee found, on the balance of probabilities, that, on the basis and in the manner outlined above, Ms Zhou had applied for membership to ACCA on or about 06 March 2021 and in doing so claimed in her ACCA Practical Experience training record that she had achieved seven Performance Objectives, namely POs 2, 3, 5, 8, 10, 11 and 14.
86. On this basis, the Committee found the facts of allegation 1 proved.

ALLEGATION 2(A)

87. The Committee relied upon its findings of fact under allegation 1 above.
88. The Committee had found that Ms Zhou had failed to write the statements in support of POs 2, 3, 5, 8, 10, 11 and 14 in her own words. She had knowingly adopted words used by others and therefore the Committee was satisfied that she knew she had not achieved all or any of the POs in the manner claimed, nor that the description would match in any way her actual practical experience, if any. She therefore knew that she had not achieved the performance objectives in respect of POs 2, 3, 5, 8, 10, 11 and 14 in the manner described in the statements she had submitted.
89. The Committee was satisfied that, by the standards of ordinary decent people, such conduct would be considered to be dishonest.
90. Consequently, the Committee found allegations 2 proved.

ALLEGATION 2(B)

91. 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 3

92. 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

93. On 13 September 2023, following referral of this matter to ACCA's Investigations Team, a member of that team sent an email to Ms Zhou attached to which was a letter which clearly set out the complaint and requested that Ms Zhou respond to a number of questions by 27 September 2023.
94. The letter also referred to Complaints and Disciplinary Regulation 3(1) informing Ms Zhou of her obligation to cooperate with the investigation by responding to the questions by the deadline.
95. This email was sent to the email address Ms Zhou had registered with ACCA and which was the email address on the register on the day the email was sent.
96. On the same day, an unencrypted email was sent to Ms Zhou asking her to check if she had received an encrypted email from ACCA and, if not, to let ACCA know. The Committee noted that ACCA, based on evidence from its case management system iCasework, had found that the unencrypted email of 13 September 2023 had been opened. The Committee found, on the balance of probabilities, that the email had been opened by Ms Zhou.
97. Ms Zhou failed to respond to either the encrypted or unencrypted emails.
98. On 02 October 2023, ACCA sent another email to Ms Zhou and attached the letter sent on 13 September 2023. Ms Zhou was again reminded of her duty to cooperate and was given until 16 October 2023 to respond. In relation to this first reminder, an extract taken from ACCA's records on the day the above emails were sent records that the email address used for these emails was the email address on ACCA's system on that day.
99. Ms Zhou failed to respond.
100. On 17 October 2023, ACCA sent a further email to Ms Zhou, again attaching the letter sent with the original email of 13 September 2023, and again

reminding her of her duty to cooperate. She was warned that, if she did not respond by 31 October 2023, her failure to cooperate may form a separate allegation against her. In relation to this second reminder, an extract taken from ACCA's records on the day the above emails were sent again records that the email address used for these emails was the email address on ACCA's system on that day.

101. Ms Zhou failed to respond.
102. Unencrypted emails were also sent to Ms Zhou on 02 and 17 October 2023 asking Ms Zhou to confirm that she had received the encrypted emails. Ms Zhou failed to respond.
103. The Committee noted that, on 06 and 17 October 2023, ACCA attempted to phone Ms Zhou, using the number registered with ACCA. There was no reply nor was it possible to leave a message.
104. The Committee was satisfied that the correspondence from ACCA to Ms Zhou was sent to her correct email address. Indeed, the Committee noted that, in relation to service of these proceedings on her, Ms Zhou had responded to ACCA on 01 July 2024 using the same email address as the one to which ACCA sent the emails on 13 September 2023, 02 October 2023 and 17 October 2023.
105. On 16 January 2024, ACCA's China office sent a mobile message to each trainee who had a recognisable mobile number recorded in ACCA's records. The extracts from ACCA's database for Ms Zhou referred to above include a telephone number. The message sent by ACCA's China office using this mobile number read as follows:

"IMPORTANT: ACCA sent you a password protected email to your registered email on 13 September 2023 requiring a response. Reminders were sent on 02 and 17 October 2023. However, no response has been received. If you have not received any of these emails or you have but cannot open any of them, please immediately email ACCA at complaintassessment@accaglobal.com with your full name, ACCA ID and date of birth."

106. ACCA's China office had provided a spreadsheet recording when this message was sent and whether or not all the messages were successfully delivered.
107. ACCA's China office had confirmed, and the Committee found, that the message was sent on 16 January 2024 and was successfully delivered to Ms Zhou's mobile number that day.
108. Ms Zhou failed to respond to ACCA's emails of 13 September 2023, 02 October 2023 and 17 October 2023. On this basis, the Committee found that she had failed to cooperate with ACCA's Investigating Officer. Consequently, the Committee found allegations 4(a), (b) and (c) proved.

ALLEGATION 5(A)

109. Taking account of its findings that Ms Zhou 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 Ms Zhou, the Association and the accountancy profession.
110. In respect of allegation 4, the Committee had found that, despite ACCA providing a number of reminders of her obligation to cooperate and warnings of potential consequences of her failure to do so, Ms Zhou had failed to cooperate with ACCA and to respond to correspondence.
111. The Committee had taken into consideration that the email of 13 September 2023 contained a substantial amount of information and a significant number of detailed questions which Ms Zhou was required to answer. The emails of 02 October 2023 and 17 October 2023 were designed to encourage Ms Zhou to provide the information requested in the first email to enable ACCA to continue with its investigation.
112. The need for members to engage and cooperate with their regulator was fundamental. A failure by members to do so meant that ACCA's ability to regulate its members in order to: ensure proper standards of conduct; to protect the public, and maintain its reputation, was seriously compromised.

113. The Committee found that the failure of Ms Zhou to cooperate with her regulator also amounted to misconduct in that such failure brought discredit to herself, ACCA and the accountancy profession.
114. The Committee found allegation 5(a) proved.

ALLEGATION 5(B)

115. On the basis that this allegation was pleaded in the alternative to allegation 5(a), the Committee made no finding in respect of it.

SANCTION AND REASONS

116. 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 Mills, and to legal advice from the Legal Adviser, which it accepted.
117. 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.
118. 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.
119. The Committee considered whether any mitigating or aggravating factors featured in this case.
120. The Committee accepted that there were no previous findings against Ms Zhou. There was no evidence of any other mitigating factors in this case. The Committee had not heard from Ms Zhou nor had it received any references or testimonials.
121. As for aggravating features, on the basis of the Committee's findings, it had been established that Ms Zhou's behaviour had been dishonest and the steps Ms Zhou had taken involved a level of sophistication, planning and probable

collusion with others, particularly in relation to the submission of a number of false PO statements. Her actions were designed to deceive her regulator.

122. The Committee noted that, in failing to engage with the process, Ms Zhou had shown neither insight nor remorse. The Committee was concerned that Ms Zhou's dishonest conduct was to enable her to derive a personal benefit.
123. When ACCA then corresponded with her in the course of its investigation, Ms Zhou failed over a period of time to cooperate with her regulator by failing to respond to correspondence regarding a very serious set of allegations.
124. The Committee concluded that neither an admonishment nor a reprimand would adequately reflect the seriousness of the Committee's findings.
125. 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. There was also a risk that Ms Zhou would have gained qualification as an accountant without the necessary competence or experience. In this way, she presented a risk to the reputation of the profession and could have caused harm or had an adverse impact on members of the public.
126. Ms Zhou had been found to have acted dishonestly in her conduct. The Committee was also 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 Ms Zhou's part which had led to her achieving a level of success to which she was not entitled and which was not merited. In this way, as stated, she presented a risk to the accountancy profession and the public.
127. In the Committee's judgement, Ms Zhou'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.

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

COSTS AND REASONS

130. The Committee had been provided with a simple cost schedule (page 1) and a detailed cost schedule (pages 1 and 2). It had taken account of the document entitled Guidance for Costs Orders 2023.
131. The Committee concluded that ACCA was entitled to be awarded costs against Ms Zhou, all allegations, including dishonesty, having been found proved. The amount of costs for which ACCA originally applied was £5,838.50. However, at the hearing, Mr Mills stated that the amount should be revised downwards to £5,088.50 to reflect the fact that the original claim in respect of the costs of the Case Presenter had been based on an hourly rate applicable to an in-house Case Presenter whereas Mr Mills was an external appointment and his cost was based on a fixed fee. The Committee also considered that, as the hearing had not taken a full day, the cost of the Hearings Officer should also be reduced by an amount equivalent to three hours at the stated hourly rate. Subject to those points, the Committee did not consider that the costs incurred were unreasonable.
132. Ms Zhou had failed to provide the Committee with details of her means. Ms Zhou had chosen not to engage with the proceedings and had failed to respond substantively to any previous correspondence. However, the Notice of Proceedings had made it clear that, if ACCA proved any or all of the allegations, it would be applying for costs and that she should provide details of her means if she wished to suggest that she was not in a position to pay all or any of the costs claimed. In the absence of such information, the Committee approached

the matter on the basis that Ms Zhou was in a position to pay any amount of costs it was prepared to award.

133. In all the circumstances, the Committee exercised its discretion when determining the amount Ms Zhou should be expected to pay. Taking account of what had been said by Mr Mills, and its own assessment of the impact of the hearing taking less time than estimated, the Committee considered that it was reasonable and proportionate to award ACCA costs in the reduced amount of £4,848.50.

EFFECTIVE DATE OF ORDER

134. Taking into account all the circumstances, the Committee decided that it was necessary, and in the interests of the public, for this order to take immediate effect.

135. In reaching its decision, the Committee took account of the fact that Ms Zhou had obtained her ACCA membership by dishonest means. In failing to engage with ACCA and this hearing, the Committee had no way of knowing if Ms Zhou is continuing to hold herself out as a member of ACCA.

136. Therefore, as stated, the Committee concluded that it was in the interests of the public for the order to take immediate effect.

Mr Maurice Cohen
Chair
03 July 2024