

HEARING
DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF
CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Miss Lee Chia Wen
Heard on:	Wednesday 13 March 2024
Location:	Remotely via MS Teams
Committee:	Mr Maurice Cohen (Chairman) Ms Fiona MacNamara (Accountant) Mr Damian Kearney (Lay)
Legal Advisers:	Mr Alastair McFarlane
Persons present and capacity:	Mr Kevin Saunders (Case presenter on behalf of ACCA) Ms Lauren Clayton (Hearings Officer) Miss Wen (in person)
Summary:	Removal from affiliate register and no order as to costs.

1. ACCA was represented by Mr Saunders. Miss Wen attended but was not represented. The Committee had before it a bundle of papers, numbered pages 1 – 245, and one additional bundle, numbered pages 1-106, a separate bundle numbered pages 1 – 153, and a service bundle numbered pages 1-23.

SERVICE

2. Having considered the service bundle, the Committee was satisfied that notice of the hearing was served on Miss Wen in accordance with the Complaints and Disciplinary Regulations 2014 (“CDR”).

ALLEGATIONS

Miss Lee Chia Wen (‘Miss Chia Wen’), at all material times an ACCA trainee,

1. **Applied for membership to ACCA on or about 25 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 23 March 2015 to 24 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 2: Stakeholder relationship management**
 - **Performance Objective 3: Strategy and innovation**
 - **Performance Objective 4: Governance, risk and control**
 - **Performance Objective 5: Leadership and management**
 - **Performance Objective 6: Record and process transactions and events**
 - **Performance Objective 7: Prepare external financial reports**
 - **Performance Objective 8: Analyse and interpret financial reports**
 - **Performance Objective 9: Evaluate investment and financing decisions**

2. **Miss Chia Wen's conduct in respect of the matters described in Allegation 1 above was: -**
 - a) **In respect of Allegation 1a), dishonest, in that Miss Chia Wen 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 Chia Wen 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 Chia Wen paid no or insufficient regard to ACCA's requirements to ensure:**
 - a) **Her practical experience was supervised;**
 - b) **Her Practical Experience Supervisor was able to personally verify the achievement of the performance objectives she claimed and/or verify they had been achieved in the manner claimed;**
 - c) **That the performance objective statements referred to in paragraph 1b) accurately set out how the corresponding objective had been met.**
4. **By reason of her conduct, Miss Chia Wen 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.**

BACKGROUND

3. **Miss Wen became an ACCA affiliate member on 19 October 2020.**

4. Regulation 3(a) of ACCA's Membership Regulations provides that an ACCA trainee cannot become a member of ACCA until they have completed three years of approved work experience, in accordance with ACCA's Practical Experience Requirement ("PER"). The PER requires trainees to achieve nine Performance Objectives ("POs"). For each PO the trainee must complete a personal statement. Each PO must be signed off by the trainee's Practical Experience Supervisor ("PES"). It is a trainee's responsibility to find a PES who must be a qualified accountant recognised by law in the trainee's country and/or a member of an IFAC body with knowledge of the trainee's work. A PES will therefore be either a trainee's line manager or an external, qualified accountant, who liaises with the employer about the trainee's work experience.

5. ACCA's primary case against Miss Wen is that she knew that Person A had not supervised her practical experience training in accordance with ACCA's requirements. ACCA's case was that between December 2019 and January 2021, 100 ACCA trainees had completed their PER training record in which they claimed their PO's had been approved by Person A. Miss Wen was one of these trainees. ACCA obtained a statement from Person A (an accountant registered with the Chinese Institute of Certified Public Accountants (CICPA)) who maintained that they had only acted as supervisor for 1 trainee, who was not Miss Wen, and who was not included in the 100 cases under investigation. They had only supervised that trainee in respect of signing off a single PO. They denied supervising any of the 100 trainees pointing out that their email address was totally different to the one used by "Person A" for the 100 trainees and that whilst the CICPA registration card provided to ACCA was theirs, they had not provided it to ACCA and did not know how this had occurred.

ACCA'S SUBMISSIONS

Allegation 1 a) and b)

6. ACCA relied on Miss Wen's admissions which it contended were clear and unequivocal. Allegations 1a) and 1b) were capable of proof by reference to the following:

- Person B's (Manager of ACCA's Professional Development Team) statement which describes ACCA's Practical Experience Requirements.
 - Miss Wen's completed PER training record which was completed on or about 25 January 2021 which then permitted Miss Wen to apply for Membership, which she did on the same day.
 - Miss Wen's Supervisor details which record Person A was her 'IFAC qualified external supervisor', and therefore her practical experience supervisor.
 - Miss Wen's PER training record which records that Person A approved all Miss Wen's PO's as set out in Allegation 1b)
 - The statement from Person A obtained by ACCA in which They deny acting as supervisor for any of the ACCA trainees who are the subject of ACCA's investigation.
 - That all of Miss Wen's PO statements were the same or significantly similar to that of other trainees suggesting at the very least, she had not achieved the objective in the way claimed or possibly at all.
7. In addition, ACCA relied on Miss Wen's acceptance that she was not supervised during her training in accordance with ACCA's requirements or at all by Person A or a person describing themselves as such. ACCA pointed out;
- Miss Chia Wen has admitted Person A had no connection with Miss Chia Wen's firm
 - Miss Chia Wen has admitted she provided Person A with her ACCA login username and password.
 - Miss Chia Wen admits that having provided her ACCA login and password 'overnight' she found that all her PO's had been approved.

- Miss Chia Wen has admitted she did not draft any of the statements in support of her PO's. This is based on her comment that following her providing her ACCA login and password to Person A, it was never her 'intention of copying others people's work' and 'I must admit these were not my works'

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

8. ACCA again relied upon Miss Wen's admissions. ACCA's primary case was that Miss Wen was dishonest when she submitted her Practical Experience Training Record to ACCA because Miss Wen sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise which she knew to be untrue. Further, ACCA contended she was dishonest because Miss Wen knew she had not achieved the performance objectives referred to in paragraph 1b above, as described in the corresponding performance objective statement or at all. Given the extensive advice available online as to how an ACCA trainee must complete their PER, ACCA contended that it is not credible that Miss Wen was unaware her practical experience had to be supervised or that the statement supporting her POs had to be in her own words and describing the experience she had actually gained to meet the relevant Performance Objective.
9. In order to achieve membership, ACCA submitted Miss Wen claimed to have been supervised by Person A in her PER training record, which she must have known was untrue, and claimed to have achieved POs 1,2,3,4,5,6,7,8, and 9 with the use of supporting statements, which she also must have known had not been written in her own words. She therefore knew she had not achieved the POs as described in the statement or at all.
10. ACCA therefore submitted this conduct in either or both respects would be regarded as dishonest by the standards of ordinary decent people.

Allegation 2(c) – Integrity

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

Allegation 3 – Recklessness

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

Allegation 4 – Misconduct

13. ACCA contended Miss Wen's conduct at allegations 1-3 amounted to misconduct.

MISS WEN'S SUBMISSIONS

14. On 01 September 2022, ACCA emailed Miss Chia Wen 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.
15. Miss Chia Wen responded by email the same day. Attached to her email was a separate document which repeated each question followed by her response. In particular, she stated, highlighted in bold the following:

'2. In relation to your PER, the supervisor details for Person A (attached) records they were an external supervisor. This means they were not employed by your firm but was instead a person who had a business connection with your firm, for example, they were an external accountant, consultant, or auditor appointed by your firm. That being so, please explain why and how you came to register Person A as your PER supervisor.'

Answer

I must frankly admit that I do not know Person A in person and have never met them before. I was introduced to Person A through a random former

from a Chinese Social Networking Service (SNS) known as Weibo. I was told that they were willing to be anyone's external supervisor (which ultimately leads to sign-off students' POs which included mine) and this is how all get started.

3.As an external supervisor, please provide me with the name of Person A's firm and the type of work undertaken by Person A on behalf of your employer.

Answer

I have no answer for this.

4.Person A as your practical experience supervisor should have had knowledge of the work carried out by you and should have been someone with whom you worked closely, who knew the type of work you were doing and the quality of your work. This would have enabled Person A as your supervisor to assess your work and ultimately decide whether or not to sign off your objectives in your PER. Please advise whether or not Person A supervised you in such a manner. If they did not supervise you in such a manner, please explain how they supervised your work, if at all.

Answer

When I first approached them, my intention was to ask for their help to guide me in drafting my PER instead of copying some other people's works. My first mistake was giving them my ACCA's login username and password, and this just happened overnight, and I got all my POs signed off after I woke up from my sleep, this was never my intention! As such, they did not supervise me at all...'

5. I note from your PER that Person A was registered on 24 January 2021 as your practical experience supervisor and went on to approve all your PO's that day. Given the period of supervision is 36 months, please advise me why you did not register Person A as your supervisor sooner.

Answer

I always wanted to get my manager to help me to sign off my POs, however, my direct manager whom I worked closely, is not a qualified IFAC member, and this explained why I am looking for someone else who can help me with the sign-off and Person A just comes across.

6. Please provide me with all documentary evidence you have in relation to Person A's supervision of you, for example: emails, letters, reports, and text messages.

Answer

No exchange in emails, letters, reports, text messages, or whatsoever relating to supervision as there is none.

7 Please explain why a number of your PO's are identical or significantly similar to other ACCA students, as referred to above. I should add that each of these PO's of yours which have been identified as identical or significantly similar to others within this batch of 100 PER's post date the earliest version of the PO in question. This means these PO's of yours which have been identified as identical or significantly similar, as referred to above, are not the first in time. It is therefore ACCA's view that these PO's have been copied by you from others and are not in your own words as they are required to be.

8. Do you accept, in relation to your practical experience as recorded in your PER, you were not supervised by Person A in accordance with the attached Guidance or otherwise?

Answers to 7 and 8

It will be easier for me to answer to your questions 7&8 together. I accept that in my practical experience as recorded in my PER, I was not supervised by Person A, I must admit these were not my works, and I am terribly regretful for my naïve considerations which caused a lot of your time spent investigating on this matter...'.

16. Miss Wen made clear admissions to Allegations 1a) 1b) and 2a) and 2b) in her Case Management Form, dated 20 April 2023. She made a “Confession Statement” dated 22 May 2023 in which she made full and frank admissions which were consistent with those in her form.

DECISION ON FACTS

17. The Committee accepted the advice of the Legal Adviser.
18. The Committee noted that Miss Wen made admissions to allegations 1a) 1b) and 2 a) and 2 b). Whilst it noted that Miss Wen was unrepresented, and that the admissions included the serious allegations of dishonesty, the Committee was satisfied that she understood the allegations and that her admissions were unequivocal and clear. They were consistent with those in her Case Management Form and Confession Statement. Accordingly, the Committee was satisfied that it was proper to exercise its power to find those allegations proved by virtue of Regulation 12(3)c) of the Complaints and Disciplinary Regulations 2014 (“CDR”).
19. Given the Committee’s findings in relation to Allegation 2 a) and 2 b) it did not consider the alternative of Allegation 2c) and 3. This was therefore not proved.

Allegation 4

20. The Committee next asked itself whether, by submitting a fraudulent Practical Experience Training Record, Miss Wen was guilty of misconduct.
21. The Committee had regard to the definition of misconduct in Bye-law 8(c) and the assistance provided by the case law on misconduct. To dishonestly gain membership and not undertake the work claimed, was, in the Committee’s judgment, deplorable conduct. It was satisfied that Miss Wen’s actions brought discredit on herself, the Association and the accountancy profession. It was satisfied that her conduct undermined one of the fundamental tenets of the profession – to be honest and not associate oneself with false and misleading statements – and therefore had reached the threshold for misconduct.

SANCTIONS AND REASONS

22. The Committee noted its powers on sanction were those set out in Regulation 13(5). It had regard to ACCA's Guidance for Disciplinary Sanctions and bore in mind that sanctions are not designed to be punitive and that any sanction must be proportionate.
23. The Committee accepted the advice of the Legal Adviser.
24. The Committee had specific regard to the public interest and the necessity to declare and uphold proper standards of conduct and behaviour. The dishonest behaviour was serious. Trust and honesty are fundamental requirements of any professional. Dishonesty by a member of the accountancy profession undermines its reputation and public confidence in it.
25. The aggravating factors the Committee identified were:
 - The behaviour involved dishonesty which was designed to deceive her regulator
 - The serious impact on the reputation of the profession
26. The mitigating factors the Committee identified were:
 - A previous good character with no disciplinary record
 - Genuine expressions of regret and remorse
 - Full admissions
 - Evidence of insight into the seriousness of the conduct and the damage caused to the reputation of the profession
27. The Committee had specific regard to Miss Wen's submissions and her confession statement and expressed regret. Nonetheless, given the Committee's view of the seriousness of the misconduct, it was satisfied that the sanctions of No Further Action, Admonishment, Reprimand were insufficient to highlight to the profession and the public the gravity of the proven

misconduct. The conduct was intentional and had the potential to cause harm. Whilst some of the factors for a Severe Reprimand including apology and regret and full co-operation were present, and it is to Miss Wen's credit that she has engaged and attended today, the Committee considered that this sanction was not sufficient given the seriousness of conduct.

28. The Committee reminded itself that it was dealing with a case of dishonesty. It had specific regard to Section E2 of the Guidance in relation to dishonesty and was mindful of the case law to the effect that dishonesty lies at the top of the spectrum of misconduct. The Committee determined that her dishonest behaviour was fundamentally incompatible with Miss Wen remaining on the affiliate register of ACCA and considered that the only appropriate and proportionate sanction was that she be removed from the affiliate register.

COSTS AND REASONS

29. ACCA claimed costs of £6,433.33 and provided a detailed schedule of costs. The Committee noted Miss Wen has provided a statement of means and informed the Committee that [PRIVATE]. The Committee considered that the sum claimed by ACCA was a reasonable one in relation to the work undertaken. However, it considered in the light of Miss Wen's [PRIVATE] that it was inappropriate to make any order as to costs. It was fair, reasonable and proportionate to reduce the costs to nil to reflect her [PRIVATE]. Accordingly, the Committee made no order for costs.

EFFECTIVE DATE OF ORDER

30. The Committee was not satisfied that the grounds for an immediate order was necessary in the circumstances of this case.

Maurice Cohen
Chairman
13 March 2024