

HEARING

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

REASONS FOR DECISION

In the matter of: Mr Yuru Xu

Heard on: Wednesday, 09 July 2025

Location: Remotely via Microsoft Teams

Committee: Mr Tom Hayhoe (Chair)
Mr Abdul Samad (Accountant)
Ms Victoria Smith (Lay)

Legal Adviser: Miss Juliet Gibbon

**Persons present
and capacity:** Mr Richard Ive (ACCA Case Presenter)
Miss Sofia Tumburi (Hearings Officer)

Outcome: Allegations 1a, 1b, 1c, 2, 3a, 3b, 3c, 3d, 5 and 6a (Misconduct)
proved. Exclusion from membership of ACCA with
immediate effect

Costs: Order to pay a contribution to ACCA's costs in the sum of
£5,600.00

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PRELIMINARY

1. The Disciplinary Committee (“the Committee”) convened to hear allegations of misconduct against Mr Yuru Xu. The hearing was conducted remotely through Microsoft Teams. The Committee had a Bundle of Papers numbered pages 1-226, a Separate Bundle, numbered pages 1-136, and an Additional Bundle, numbered pages 1-10. It also had a Service Bundle, numbered pages 1 to 23. The Committee was also provided with a Detailed and a Simple Costs Schedule at the sanction and costs stage of the hearing.
2. Mr Ive represented ACCA. Mr Xu did not attend the hearing and was not represented.

SERVICE AND PROCEEDING IN ABSENCE

3. The Notice of Hearing, containing all the requisite information about the hearing, was sent by email to Mr Xu on 11 June 2025 to the email address that he had notified to ACCA. ACCA produced a receipt confirming delivery of the email to that address.
4. The Committee was satisfied that the requirements of Regulations 10(1) and 22(1) of the Chartered Certified Accountants’ Complaints and Disciplinary Regulations 2014, as amended (‘the Regulations’) as to service had been complied with.
5. Having satisfied itself that service had been effected in accordance with the Regulations, the Committee went on to consider whether to proceed in the absence of Mr Xu. It accepted the advice of the Legal Adviser. The Committee bore in mind that whilst it had a discretion to conduct a hearing in the absence of the relevant person, it should exercise that discretion with the utmost care and caution. The Committee paid due regard to the factors set out in the cases of *Hayward & Others* [2001] 3 WLR 125 and *R v Jones* [2002] UKHL 5 and to the case of *The General Medical Council v Adeogba and Visvardis* [2016] EWCA Civ 162.

6. The Hearings Officer sent an email to Mr Xu on 19 June 2025 asking if he would be attending the hearing but Mr Xu did not respond. On 25 June 2025 the Hearings Officer ("HO") attempted to telephone Mr Xu but the call was not answered and an automated message was received that stated: *'sorry, your call has been rejected'*. The HO sent a further email to Mr Xu on 25 June 2025 informing him that she had attempted to call him by telephone and again asking him to advise whether he would be attending the hearing. The HO again attempted to call Mr Xu on 02 July 2025 but the call was not answered and they received the same automated message as previously. The HO sent a further email to Mr Xu on 02 July 2025 explaining that she had attempted to contact him to ascertain if he would be attending the hearing. The HO sent Mr Xu the Teams link to the hearing on 08 July 2025. Mr Xu did not respond to any of the emails sent by the HO.
7. The Committee was mindful that there is a public interest in dealing with regulatory matters expeditiously. It noted that Mr Xu had not requested an adjournment. In all the circumstances the Committee was of the view that there was no evidence before it to suggest that an adjournment of today's hearing would result in Mr Xu's attendance on a future date.
8. The Committee determined that it was in the public interest to proceed in Mr Xu's absence.

ALLEGATIONS

Yuru Xu ('Mr Xu'), at all material times an ACCA trainee:

1. On or about 28 August 2021 in relation to his ACCA Practical Experience training Record caused or permitted a third party:
 - a. To register Person A as his practical experience supervisor and further,
 - b. To approve in Person A's name 38 months of qualifying experience and further,
 - c. To approve in Person A's name his nine performance objectives.

2. Whether by himself or through a third party applied for membership to ACCA on or about 28 August 2021 and in doing so purported to confirm in relation to his ACCA Practical Experience Training Record he had achieved all or any of 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 9: Evaluate investment and financing decisions
- Performance Objective 13: Plan and control performance

3. Mr Xu's conduct in respect of the matters described above was:

- a. In relation to Allegation 1a, dishonest in that dishonest in that Mr Xu knew his supervisor, Person A, had been falsely registered as his practical experience supervisor.
- b. In relation to Allegation 1b, dishonest in that Mr Xu knew his supervisor, Person A, had not approved his qualifying experience.
- c. In relation to Allegation 1c, dishonest in that Mr Xu knew Person A had not approved his nine performance objectives.
- d. In relation to Allegation 2, dishonest in that Mr Xu knew he had not achieved all or any of the performance objectives as described in the in the corresponding performance objective statements or at all.
- e. In the alternative, any or all of the conduct referred to in Allegations 1 and 2 above demonstrates a failure to act with integrity.

4. In the further alternative any or all of the conduct referred to in Allegations 1 and 2 above was reckless in that:
 - a. Mr Xu failed to ensure that his Practical Experience Training Record was approved in all material respects by his practical experience supervisor.
 - b. Mr Xu paid no or insufficient regard to ACCA's requirements to ensure that the statements corresponding with the performance objectives referred to in Allegation 2 accurately set out how each objective had been met.
5. Failed to co-operate with ACCA's Investigating Officer in breach of Complaints and Disciplinary Regulation 3(1) in that he failed to respond fully or at all to ACCA's correspondence 24 January 2024.
6. By reason of his conduct, Mr Xu 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 5 above; in the alternative in respect of Allegation 5 only;
 - b. Liable to disciplinary action pursuant to bye-law 8(a)(iii).

BACKGROUND

9. Mr Xu was admitted as an Affiliate of ACCA on 19 October 2020 and became a member of ACCA on 31 August 2021.
10. Once an ACCA student has completed all their ACCA examinations, they become an ACCA affiliate. Regulation 3(a)(ii) of ACCA's Membership Regulations 2014 provides that an affiliate cannot become a member of ACCA until they have completed 36 months practical experience in a relevant role, in accordance with ACCA's Practical Experience Requirement ("PER"). A person undertaking practical experience is referred to as an ACCA trainee.

11. ACCA's PER is based on the International Federation of Accountants' ("IFAC") International Education Standard 5, PER. ACCA's PER develops the professional knowledge, values, ethics and behaviours required to become a professionally qualified accountant.
12. ACCA's PER has three components: First, to achieve five "Essential" Performance Objectives ("POs") and any four "Technical" POs by gaining the experience required to achieve the necessary elements and to complete a statement for each PO, which is signed off by the trainee's Practical Experience Supervisor ("PES"). Secondly, to complete 36 months' work experience in one or more accounting or finance-related roles, which must be verified by the trainee's PES. Thirdly, to regularly record their PER progress in the online "MyExperience" recording tool, which is accessed via ACCA's online portal "myACCA".
13. Once all nine POs have been approved by the trainee's PES and their minimum of 36 months of practical experience has been signed off by their PES, the trainee is eligible to apply for ACCA membership.
14. A PES has the personal responsibility of approving the trainee's POs if the trainee has met the required standard. A qualified supervisor means a qualified accountant who has worked closely with the trainee and who knows the trainee's work. A qualified accountant means a member of an IFAC member body and/or a body recognised by law in the trainee's country. If a trainee's line manager is not a qualified accountant, they can sign off or approve the trainee's time in their relevant role, but the trainee must nominate a qualified PES to sign off their POs. If a PES is not a trainee's line manager, then the PES should consult with the trainee's line manager to validate their experience.
15. Trainees must enter the PES's details into the MyExperience recording tool and send their PES an invitation to register as their PES. If the PES accepts the invitation, then they are required to record their details using the same recording tool. Trainees cannot submit anything to their PES until the PES is registered with ACCA.

16. POs are designed to set the minimum standard of work that a trainee is expected to achieve and the level of competence they will need to demonstrate to their qualified supervisor. They set out the kind of work activities a trainee may carry out and highlight the values and attitudes ACCA trainees are expected to possess and to demonstrate as a trainee accountant.
17. Each PO is comprised of three parts. First, a summary of what the PO relates to. Secondly, five elements outlining the tasks and behaviours that a trainee must demonstrate to be able to achieve the objective. Thirdly, a 200 to 500-word concise personal statement in which the trainee must summarise how they have achieved the PO. Trainees must provide examples of tasks they have been involved with to illustrate their personal statement. Trainees' statements should be unique to their own work experience.
18. ACCA China uploads articles in relation to the membership process to its WeChat platform. These include '*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*' it is stated:

"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 ...".

19. Under the heading '*Determine performance goals*' it is stated:

'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 ...'.*

20. During 2023 it came to the attention of ACCA's Professional Development Team that the PESs registered to 91 ACCA trainees shared one of three email addresses despite the names of the PES for each trainee being different. This was of concern to ACCA as it would not expect a PES to share an email address with any other supervisor or any other person.
21. Further analysis of the cohort of 91 trainees confirmed the following:
 - a. Most of the trainees were registered with ACCA as being resident in China.
 - b. Although each statement supporting a PO should be a description of the trainee's experience, and therefore unique, many of the PO statements within the cohort of 91 trainees were identical or strikingly similar. ACCA, therefore, concluded that the 91 trainees had copied their PO statements from others.
 - c. Of the 91 trainees, the earliest date a PES with one of these three email addresses is recorded as approving a trainee's PER Training record was August 2021 and the latest date was March 2023.
22. All PESs must be registered with ACCA. During the period August 2021 and March 2023 when the PESs approved the POs for the 91 trainees most of them claimed to be IFAC qualified line managers for the trainees and the majority recorded that they were members of the Chinese Institute of Certified Public Accountants ("CICPA"), an IFAC body and provided their membership number. The majority of the PESs also uploaded a CICPA membership registration card but the membership number on the card did not match that provided by the PESs. Furthermore, the name recorded on the CICPA membership registration card and the photograph were pixelated and, therefore, unidentifiable.
23. The 91 trainees, which included Mr Xu, were referred to ACCA's Investigation Team for investigation.

24. Mr Xu's PER training record shows that he was employed by one firm, Company A. Mr Xu claimed 38 months of relevant practical experience in relation to this employment. Mr Xu commenced this employment on 28 June 2018 and no end date was recorded which suggests that he remained in this employment at least up until the date his time/experience was approved on 28 August 2021. It is recorded on Mr Xu's PER training record that Person A registered as Mr Xu's IFAC qualified line manager' on 28 August 2021. The supervisor details record that Person A registered with the email address Email 1, which was used by over 60 differently named supervisors of trainees.
25. The registration details provided by Mr Xu's apparent PES included their CICPA membership number as [PRIVATE]. In the copy of the attached CICPA membership card, in which the name was pixelated, the membership number is [PRIVATE] which is a different number than that provided by Mr Xu's apparent PES. This CICPA membership card has been uploaded by many supervisors who share one of the three common email addresses.
26. As Mr Xu's IFAC qualified line manager, Person A would have been authorised to approve both his qualifying experience and all his POs. It is recorded in Mr Xu's PER training record that he requested Person A to approve his qualifying experience of 38 months on 28 August 2021 and the record shows that Person A appeared to do so on the same day. It also shows Mr Xu also requested Person A to approve all nine of his POs on 28 August 2021 and the record shows that they were approved by Person A on the same day.
27. ACCA carried out an analysis comparing the POs of each of the cohort of 91 trainees. In relation to Mr Xu, the analysis revealed that none of his nine PO statements was the first in time and all of them were either identical or significantly similar to the PO statements previously submitted by five other ACCA trainees. In particular, Mr Xu's PO1, PO2, PO3, PO4, PO5, PO6, PO7, PO9 and PO13 statements were identical or significantly similar to those of the five other trainees. The POs of a further two trainees were also identical or significantly similar to those of Mr Xu but post-dated the submission of his PO statements.

28. A member of ACCA's Investigations Team wrote to Mr Xu on 16 October 2023 setting out the complaint and attaching the relevant documents. Mr Xu was asked to respond to the questions asked of him by 30 October 2023. The letter set out the requirement for Mr Xu to co-operate with the investigation under Regulation 3(1) of the Regulations. Mr Xu did not respond.
29. ACCA wrote to Mr Xu again by email on 31 October 2023 attaching the letter of 16 October 2023 and reminding him of his obligation to cooperate by responding to the questions asked in the letter by 14 November 2023. Again, Mr Xu failed to respond.
30. ACCA's Investigations Officer ("IO") attempted to telephone Mr Xu on 13 November using his registered telephone number. An individual answered but the call was disconnected.
31. As a result of Mr Xu failing to respond to the first two emails, ACCA sent a second and final reminder email to him on 16 November 2023. This attached copies of the two previous letters and reminded Mr Xu of his obligation to cooperate by responding to ACCA's questions by 30 November 2023. Mr Xu was advised that if he failed to do so then ACCA would raise an allegation of failure to cooperate against him.
32. On 17 January 2024 ACCA's China office successfully sent a mobile message to Mr Xu's registered telephone number informing him that ACCA had sent him password protected emails on 31 October 2023 and 16 November 2023 that required a response.
33. On 18 January 2024 Mr Xu emailed the IO stating:

"I am XU YURU, my ACCA ID is [PRIVATE], and my date of birth is –[PRIVATE].

First of all, I would like to sincerely apologize for my late reply.

In fact, I was recently on an extended business trip in Africa, so I set up my phone numbers to be those of my family in order to receive timely messages. Last month they told me they had received a call from ACCA. In order to clarify the situation, I

also contacted ACCA by phone and verified my personal information with them. However, your colleagues told me that there is nothing wrong with my account. In December, I paid the annual fee and nothing happened. Today I received a text message forwarded by my family and checked my mailbox. Unfortunately, your previous emails have been classified into the trash. I just read your letter, but the link there is no longer working. Please tell me what should be done next and their purpose. thank you for your support. In addition, I found that in the MY ACCA interface, I was told that my exam results and qualification certification could not be downloaded, and the website prompted me to also contact ACCA administrators. I would be very grateful if you could help me solve this problem”.

34. Mr Xu sent a further email to ACCA on 20 January 2024 stating:

“I received your email and viewed the link. Then I responded to this email based on your request. Thank you for your support and look forward to receiving your feedback.”

35. The IO replied to Mr Xu by email on 24 January 2024 attaching a copy of ACCA’s letter of 16 October 2023 and all the other documents that had previously been sent to him by email. Mr Xu was asked to provide a response to ACCA’s questions by 07 February 2024. The email again reminded Mr Xu of his obligation to cooperate with ACCA’s investigation against him. The case management system shows that Mr Xu opened this email on 21 February 2024. Mr Xu, however, did not respond to the email.
36. On 25 November 2024 the IO emailed Mr Xu disclosing the further sample of PO statements that were identical or significantly similar to those which predated his own. Mr Xu was asked to provide any comments by 02 December 2024. The case management system shows that the email was opened on 25 November 2024 but. Mr Xu did not respond to it.
37. All of the encrypted emails sent to Mr Xu were sent through ACCA’s case management system. This showed that the initial email sent to him by ACCA was first opened on 18 January 2024, being the date that he first emailed ACCA. There

is no evidence on the case management system to show that Mr Xu had opened the emails sent to him by ACCA on 31 October and 16 November 2023.

38. Following an online search ACCA wrote to Mr Xu's employer requesting conformation that Mr Xu was employed by the firm, but no response was received.

SUBMISSIONS

39. Mr Ive took the Committee through the background of the case and ACCA's PER and membership requirements.

40. Mr Ive submitted that Allegations 1a, 1b, 1c and 2 were all proved, on the balance of probabilities, by the following evidence:

- a. Linda Calder's statement that describes the PER process;
- b. Mr Xu's PER training record;
- c. The details of the PES who purportedly was IFAC qualified and had approved Mr Xu's qualifying time and all his POs on 28 August 2021;
- d. The fact that nine of Mr Xu's PO statements were the same or significantly similar to other trainees in the cohort, suggesting that he had not achieved the POs in the way claimed or at all;
- e. The email address for Mr Xu's PES was the same as provided for a number of other trainees' PESs;
- f. The CICPA card uploaded by Mr Xu's PES had been used by many other purported PESs using the same email address.

41. Mr Ive submitted that Mr Xu would have known that his PO statements must be unique to his experience. He referred the Committee to the fact that all nine of the PO statements were identical or significantly similar to those submitted by five other trainees prior to Mr Xu submitting his POs. Mr Ive submitted that Mr Xu must

have known that the nine PO statements had been copied from other trainees and were not statements relating to his own experience when they were submitted to ACCA.

42. Mr Ive reminded the Committee that Mr Xu had invited Person A to be his PES on 28 August 2021 and that Person A had approved the nine POs on the same day.
43. Mr Ive invited the Committee to find that Mr Xu had not achieved the nine POs because he had not been supervised by Person A at all or, at the very least, in accordance with ACCA's PER.
44. Mr Ive further submitted that the evidence demonstrated that Mr Xu knew that the details of his PES were false and that his PO statements had been copied from those of other trainees. Mr Ive invited the Committee to find that Mr Xu's conduct in Allegations 1a, 1b, 1c and 2 had been dishonest with reference to the test for dishonesty set out in the case of *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67 ("Ivey"). He submitted that Mr Xu had attempted to deceive his regulator by his premeditated dishonest conduct and that he would have known that he was acting dishonestly in doing so. Mr Ive further submitted that such conduct would clearly be regarded as dishonest by the standards of ordinary decent people.
45. In respect of Allegation 5, Mr Ive referred the Committee to the email sent by ACCA to Mr Xu on 24 January 2024 and to the confirmation of delivery email. He also referred the panel to the evidence from the case management system that showed Mr Xu had opened the email. Mr Xu had not responded to ACCA's email. Mr Ive submitted that, in failing to respond to the correspondence sent to him by ACCA, Mr Xu had breached Regulation 3(1) of the Regulations, that provides:

'(1) Duty to co-operate

- a. Every relevant person is under a duty to co-operate with any investigating officer and any assessor in relation to the consideration and investigation of any complaint.

- b. The duty to co-operate includes providing promptly such information, books, papers or records as the investigating officer or assessor may from time to time require.
 - c. A failure or partial failure to co-operate fully with the consideration or investigation of a complaint shall constitute a breach of these regulations and may render the relevant person liable to disciplinary action’.
46. Mr Ive further submitted that the failure of a member to co-operate with his professional body was a very serious matter, demonstrating a lack of professional responsibility and a complete disregard for ACCA’s regulatory process. He also submitted that Mr Xu had an obligation to co-operate with his professional body and to engage with it when a complaint was raised. He submitted that such co-operation is fundamental to ACCA, as Mr Xu’s regulator, being able to discharge its obligations of ensuring protection of members of the public and upholding the reputation of the accountancy profession.
47. In respect of Allegation 6a, Mr Ive submitted that Mr Xu’s dishonest conduct in, at the very least, being complicit in nine false PO statements being submitted to ACCA in order to apply for membership fell far short of the standards expected of an ACCA member and had the potential to undermine public confidence in ACCA’s membership and qualification processes. He submitted that Mr Xu’s dishonest conduct and his failure to co-operate with ACCA’s investigation had brought discredit to him, ACCA and the accountancy profession.
48. Mr Ive submitted that misconduct, as defined by bye-law 8(c), was clearly made out in respect of Mr Xu’s dishonest conduct and his failure to co-operate with ACCA’s investigation.

DECISION ON FACTS

49. The Committee considered all of the documentary evidence presented to it, including the witness statements of Linda Calder, an ACCA Professional Development Team Manager and Karen Watson, a Senior Administrator in ACCA’s Member Support Team. It also considered the submissions made by Mr

Ive. The Committee accepted the advice of the Legal Adviser and bore in mind that it was for ACCA to prove each of the disputed allegations made against Mr Xu and that the standard of proof to be applied was the balance of probabilities.

ALLEGATION 1A, 1B AND 1C - PROVED

50. The Committee carefully considered all the evidence before it. It was satisfied, on the balance of probabilities, that Mr Xu had caused or permitted a third party to:
- a. Register Person A as his IFAC qualified PES, when he was not;
 - b. Approve in Person A's name 38 months of qualifying experience which he had not achieved;
 - c. Approve in Person A's name his nine performance objectives, which he had not achieved.

ALLEGATION 2 – PROVED

51. The Committee was satisfied, on the balance of probabilities, that Mr Xu had applied for membership of ACCA on or about 28 August 2021 and, in so doing, had purported to confirm in relation to his ACCA practical experience training record that he had achieved all or any of his nine POs when he had not or he had allowed a third party to do so on his behalf. This had resulted in him becoming a member of ACCA when he was not properly qualified.

ALLEGATION 3A, 3B, 3C AND 3D - PROVED

52. The Committee considered whether the conduct found proved in Allegation 1a and/or 1b and/or 1c and/or Allegation 2 was dishonest, applying the test set out by the Supreme Court in the case of *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67.
53. In relation to Allegations 3a, 3b and 3c, the Committee was satisfied, on the balance of probabilities, that Mr Xu knew that Person A had been falsely registered

as his PES and that Person A had falsely approved his qualifying experience and his nine POs.

54. In relation to Allegation 3d, the Committee was satisfied, on the balance of probabilities, that Mr Xu knew that he had not achieved any of the POs as described in the corresponding PO statements or at all as they were the same or significantly similar to those of five other trainees.
55. The Committee considered that the only reason for Mr Xu to have acted in this way was for him to be able to apply for membership of ACCA in the knowledge that he had not completed the requisite PER. The Committee determined that such conduct would be considered dishonest in accordance with the test for dishonesty as set out in the case of *Ivey*. The Committee therefore found Allegations 3a, 3b, 3c and 3d proved on the balance of probabilities.
56. Having found Allegations 3a, 3b, 3c and 3d proved, the Committee did not go on to consider Allegation 3e or Allegations 4a and 4b, which were pleaded in the alternative.

ALLEGATION 5 - PROVED

57. The Committee noted that there had been no communication from Mr Xu with ACCA since 20 January 2024. It was satisfied on the evidence before it that ACCA had re-sent copies of previous correspondence to Mr Xu on 24 January 2024 and that Mr Xu had opened the email. In each of the emails attached to the email of 24 January 2024, Mr Xu had been reminded by ACCA of his duty to co-operate with the investigation in accordance with Regulation 3(1) of the Regulations. Mr Xu, however, had not responded to the email. The Committee, therefore, found Allegation 5 proved in relation to Mr Xu's failure to respond to ACCA's email dated 24 January 2024.

ALLEGATION 6A - MISCONDUCT FOUND

58. Having found Allegations 1a, 1b, 1c, 2, 3a, 3b, 3c, 3d and 5 proved, the Committee then considered whether the facts found proved amounted to misconduct.

59. In the Committee's view, Mr Xu's dishonest conduct demonstrated a clear disregard for ACCA's PER process. It also considered that such dishonest conduct had the potential to undermine the integrity of ACCA's membership process and the good standing of ACCA. In the Committee's view, there was a risk of harm to the public because Mr Xu had been able to become a member of ACCA when he was not properly qualified to do so.
60. The Committee also determined that Mr Xu's conduct, in failing to co-operate with the investigation against him, fell far below the standards expected of a member of ACCA. In the Committee's determination, Mr Xu's dishonest conduct and his failure to co-operate with the investigation undermined the integrity of ACCA's PER and investigatory processes and had brought discredit to him, the Association and the accountancy profession.
61. Accordingly, the Committee found that Mr Xu's conduct fell far below the standards expected of a member of ACCA and amounted to misconduct.
62. The Committee, having found Allegation 6a proved in relation to Allegation 5, did not go on to consider Allegation 6b, which was pleaded in the alternative.

SUBMISSIONS ON SANCTION AND COSTS

63. Mr Ive informed the Committee that Mr Xu had no previous disciplinary findings recorded against him. Mr Ive invited the Committee to find that Mr Xu's lack of engagement and insight and his dishonesty were aggravating factors.
64. Mr Ive referred the Committee to ACCA's 'Guidance for Disciplinary Sanctions' and, in particular, section E2 which provides guidance on dishonesty cases.
65. In respect of costs, Mr Ive referred the Committee to the simple and detailed costs schedules. He submitted that the costs claimed by ACCA of £6,343.00 had been reasonably incurred but that there should be some adjustment as the hearing had taken less than the time allowed for in the schedules.

SANCTION AND REASONS

66. In reaching its decision on sanction, the Committee considered the submissions made by Mr Ive. It referred to the Guidance for Disciplinary Sanctions issued by ACCA and had in mind the fact that the purpose of a sanction was not to punish Mr Xu, but to protect the public, maintain public confidence in the profession and maintain proper standards of conduct, and that any sanction it imposed must be proportionate. The Committee accepted the advice of the Legal Adviser.
67. When deciding on the appropriate sanction, the Committee carefully considered the aggravating and mitigating features of the case.
68. The Committee considered that the only mitigating feature in the case was that Mr Xu had no previous disciplinary findings recorded against him.
69. The Committee considered that Mr Xu's misconduct involved the following aggravating features:
 - a. This was premeditated dishonest conduct that involved a degree of planning and collusion for personal gain.
 - b. Mr Xu's conduct was an abuse of the trust that ACCA puts in its students to properly complete the PER in order to become a member of ACCA.
 - c. Mr Xu had not demonstrated any insight or remorse for his actions.
 - d. Mr Xu's dishonest conduct had the potential to undermine the integrity of, and public confidence in, ACCA's PER and membership processes.
 - e. Mr Xu's failure to co-operate with ACCA's investigation had the potential to undermine ACCA's investigatory process and had prevented ACCA from carrying out a proper investigation into his conduct.

- f. Mr Xu's dishonest conduct had the potential to place members of the public at risk of harm as he had falsely achieved membership of ACCA when he was not properly qualified to act as a professional accountant.

70. The Committee went on to consider what, if any, was the appropriate and proportionate sanction to impose in this case. It did not consider it appropriate, or in the public interest, to take no further action or to order an admonishment in a case where a student of ACCA had deliberately disregarded ACCA's PER and investigation requirements and had acted dishonestly.

71. The Committee then considered whether to reprimand Mr Xu. 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 misconduct found proved. The Committee did not consider that Mr Xu's misconduct was of a minor nature and there was no evidence of insight into his dishonest behaviour or the impact thereof on the reputation of the profession and ACCA, as the regulator. The Committee noted that when addressing factors relevant to seriousness in specific case types, ACCA's guidance indicates that misleading ACCA and failing to co-operate in an investigation are both considered to be very serious. Accordingly, the Committee concluded that a reprimand would not adequately reflect the seriousness of the misconduct in this case.

72. 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 guidance suggests that this sanction may be appropriate where most of the following factors are present:

- a. The misconduct was not intentional and no longer continuing.
- b. Evidence that the conduct would not have caused direct or indirect harm.

- c. Insight into failings.
- a. Genuine expression of regret/apologies.
- b. Previous good record.
- c. No repetition of failure/conduct since the matters alleged.
- d. Rehabilitative/corrective steps taken to cure the conduct and ensure future errors do not occur.
- e. Relevant and appropriate references.
- f. Co-operation during the investigation stage.

73. The Committee considered that apart from Mr Xu's previous good character, none of the other factors was present. Accordingly, the Committee considered that a severe reprimand would not adequately reflect the seriousness of Mr Xu's dishonest misconduct and his failure to co-operate with ACCA's investigation.

74. The Committee noted that ACCA provides specific guidance on the approach to be taken in cases of dishonesty, which is regarded as a particularly serious matter, even when it does not result in direct harm and/or loss, 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 exclusion. 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 professional accountant to do the right thing in difficult circumstances. It is 'a cornerstone of the public value which an accountant brings'.

75. The Committee bore in mind these factors when considering whether there was anything remarkable or exceptional in Mr Xu's case that warranted anything other than removal from the student register of ACCA. The Committee was of the view that there were no exceptional circumstances in this particular case that would allow it to consider a lesser sanction and it concluded that the appropriate and proportionate sanction was to exclude Mr Xu from membership of ACCA.

76. Mr Xu had either submitted, or been complicit with a third party in submitting, nine PO statements that had been copied from five other trainees' PO statements. Further, he had subsequently failed to co-operate in ACCA's investigation into his conduct. In the Committee's determination, such conduct was fundamentally incompatible with Mr Xu being a member of ACCA. In the Committee's view the PER is a very important part of becoming a properly qualified member of ACCA, and the requirements of the PER must be strictly adhered to by those aspiring to become members of ACCA. Further, the Committee was of the view that Mr Xu's failure to cooperate with ACCA's investigation was very serious and had the potential to undermine ACCA's investigatory process.
77. The Committee was mindful that the sanction of exclusion from membership of ACCA was the most serious sanction that could be imposed. The Committee took into account the guidance that this sanction was likely to be appropriate when the behaviour of the member was fundamentally incompatible with them being a member of ACCA. The Committee was satisfied that Mr Xu's dishonest conduct had reached that high threshold.
78. The Committee also considered that a failure to remove a member of ACCA 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 that it can rely on the integrity, ability and professionalism of those who are members of ACCA.
79. The Committee therefore ordered that Mr Xu be excluded from membership of ACCA and it directed that it was in the interests of the public for this to have immediate effect.
80. The Committee did not deem it necessary to impose a specified period before which Mr Xu can make an application for readmission as a member of ACCA.

DECISION ON COSTS AND REASONS

81. The Committee was provided with two schedules of costs. ACCA applied for costs in the sum of £6,343.00 in respect of the investigation against Mr Xu and the hearing. Mr Ive, however, submitted that there should be a small reduction to take

into account that the hearing had concluded earlier than anticipated in the two schedules of cost.

82. The Committee was satisfied that the costs sought by ACCA were appropriate and had been reasonably incurred. It determined, however, that the costs claimed should be reduced to reflect the fact that the hearing had taken less time than accounted for in the schedules of costs.

83. The Committee determined that, in all the circumstances, it would be fair and proportionate to order Mr Xu to pay a contribution to ACCA's costs in the sum of £5,600.00.

ORDER

84. Mr Yuru Xu shall be excluded from membership of ACCA with immediate effect.

85. Mr Yuru Xu shall pay a contribution to ACCA's costs in the sum of £5,600.00.

Mr Tom Hayhoe
Chair
09 July 2025