



HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of:	Miss Yue Zhao
Heard on:	Wednesday, 10 July 2024
Location:	Held remotely by Microsoft Teams
Committee:	Mrs Colette Lang (Chair) Mr Abdul Samad (Accountant) Mr Colin Childs (Lay)
Legal Adviser:	Ms Ini Udom
Persons present and Capacity:	Mr Ben Jowett (ACCA Case Presenter) Miss Mary Okunowo (Hearings Officer)
Summary:	Exclusion from the register with immediate effect
Costs:	£5,289.75

PRELIMINARY APPLICATIONS

SERVICE OF PAPERS

1. The Committee considered the following documents:
 - a. Hearing bundle (pages 1 to 249)
 - b. Additional bundle 1 (pages 1 to 88)
 - c. Separate bundle (Performance Objectives relating to the complaint against Miss Zhao) (pages 1 to 27)
 - d. Service bundle (pages 1 to 18)

- e. Tabled Additional bundle (pages 1 to 3)
2. The Committee listened carefully to the submissions made by Mr Jowett and also considered advice of the Legal Adviser, which it accepted.
3. The Committee accepted that whilst this case was linked to another, the case of Miss X, the matters needed to be considered and determined separately.
4. The Committee read the letter dated 11 June 2024 sent from ACCA by email to Miss Zhao and its delivery receipt. It noted the subsequent emails sent to her on 26 June, 05 July and 09 July with the necessary link and password to enable her to gain access to the letter and the documents relating to this hearing. The Committee noted that the emails had been delivered successfully.
5. The Committee was satisfied that such emails had been sent to Miss Zhao's registered email address in accordance with Regulation 22 of the Complaints and Disciplinary Regulations 2014 as amended ("CDR"). CDR22(8) stipulates that, when a notice has been sent by email, it is deemed to have been served on the day it was sent.
6. The emails and the documents to which Miss Zhao had access also contained the necessary information in accordance with CDR10.
7. Consequently, the Committee decided that Miss Zhao had been properly served with Notice of the proceedings.

PROCEEDING IN ABSENCE

8. Miss Zhao failed to respond to the email of 11 June 2024 and all subsequent correspondence. She was not in attendance at the hearing. ACCA applied to proceed with the hearing in her absence.
9. The Committee accepted the advice of the Legal Adviser and retired to deliberate. There was evidence before the Committee to confirm that the emails from ACCA sent to Miss Zhao address had been accessed on four occasions in 2022. It was accepted that it could be reasonably inferred that Miss Zhao had access to her registered email account, was aware of the hearing and had decided to not attend.

10. The Committee concluded that Miss Zhao was aware of today's hearing, which she could have joined by telephone or video link but had voluntarily absented herself.
11. The Committee decided that the hearing should proceed in the absence of Miss Zhao. It was acknowledged that Miss Zhao might be disadvantaged by not being present. However, the case was largely built upon documentary evidence. The Committee considered that to do so would be in the public interest to have matters dealt with expeditiously. There was no indication that an adjournment would secure Miss Zhao's attendance and indeed no such application had been made. The Committee considered that ACCA had done everything possible to enable Miss Zhao to attend the hearing.
12. 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.

ALLEGATIONS

Schedule of Allegations

Miss Yue Zhao ('Miss Zhao') at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 29 December 2020 and in doing so purported to confirm in relation to her ACCA Practical Experience training record:
 - a) Her Practical Experience Supervisor in respect of her practical experience training in the period from 1 September 2017 to 29 December 2020 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 9: Evaluate investment and financing decisions
- Performance Objective 13: Plan and control performance
- Performance Objective 14: Monitor performance
- Performance Objective 19: Collect and evaluate evidence for an audit or assurance engagement

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

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- a) In respect of Allegation 1a), dishonest, in that Miss Zhao 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 Zhao 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 Zhao 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. 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) 22 August 2022;
 - b) 05 September 2022;
 - c) 23 September 2022.

5. By reason of her conduct, Miss Zhao 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)

BACKGROUND

13. On 14 July 2014, Miss Zhao became a student member of ACCA.

14. On 17 April 2017, Miss Zhao was admitted as an affiliate.

15. On 07 January 2021, Miss Zhao was admitted as a member.

The process to acquire relevant practical experience

16. Person C, in their statement, details the process Miss Zhao would have been required to follow.

17. The following abbreviations are used throughout this Determination:

PER – Practical Experience Requirement
PES – Practical Experience Supervisor
PO – Performance Objective.

18. 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.

19. A person undertaking practical experience is often referred to as an ACCA trainee.
20. An ACCA trainee's practical experience is recorded in that trainee's Practical Experience Requirement (PER) training record, which is completed using an online tool called 'MyExperience' which is accessed via the student's MyACCA portal.
21. As part of their practical experience, each trainee is required to complete nine performance objectives (POs) under the supervision of a qualified accountant, 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.
22. 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.
23. 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.
24. Through the online tool, the trainee then requests that their PES approves that PO.
25. 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.

26. 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.

27. 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.'

28. 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.

29. 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.

30. 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.

31. 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 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.'

32. 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.

33. 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 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."

34. 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. The information is also available in Mandarin.

35. 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.

36. All PESs have to be registered with ACCA and, as part of that registration process, have to provide evidence that they are a qualified accountant. A person purporting to be Person A apparently provided evidence to ACCA in the form of a registration card from the Chinese Institute of Certified Public Accountants (CICPA). As such, they were, from ACCA's point of view, a 'qualified accountant'.

37. The Committee noted that there was a wealth of information and support available to Miss Zhao to guide her through the PER process and ACCA's membership application. Information was additionally available in the local language.

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

ACCA's Investigation

39. During 2021, it came to the attention of ACCA's Professional Development team that between 16 December 2019 and 29 January 2021, 100 ACCA trainees, including Miss Zhao, had completed their PER training record in which they claimed their POs had been approved by a particular supervisor, namely Person A.
40. A person purporting to be Person A registered as each trainee's supervisor on the basis of them being a member of the Chinese Institute of Certified Public Accountants (CICPA), being an IFAC registered body. As such, they were, from ACCA's point of view, a 'qualified accountant'.
41. Person C states that a supervisor would not be expected to have more than two to three trainees at any one time. All these trainees had different periods of training and some periods overlapped, and ACCA is unable to produce precise figures as to how many trainees Person A allegedly supervised at any one time.
42. A review was also carried out by the Professional Development Team which showed that the PO statements had been copied amongst a large number of these 100 trainees, including Miss Zhao, who had all claimed to have been supervised by the same supervisor, namely a 'Person A'.
43. ACCA contacted Person A via the Chinese Institute of Certified Public Accountants (CICPA). Person A has been a member of the CICPA since 03 April 2019. Therefore, it is only from that date that Person A would be entitled to supervise an ACCA trainee. In any event, Person A denied having supervised any ACCA trainees. During this contact, Person A provided ACCA with their email address.
44. Although initially Person A advised ACCA they had never supervised any ACCA trainees, they subsequently recalled having supervised a single ACCA trainee. This supervision was limited and involved approving only one of the nine required POs.

45. Person A provided ACCA with the name of the trainee. ACCA's records confirm they did act as a supervisor for this one trainee. However, that one trainee is not one of the 100 cases under investigation.
46. The 'Person A' who was purportedly registered as supervisor for the 100 trainees under investigation provided a copy of a CICPA registration card to ACCA. The real Person A had confirmed in their statement, and the Committee found, that this is their genuine registration card, but they had not provided this to ACCA.

The Practical Experience Requirement (PER) training record for Yue Zhao

47. A copy of the PER training record for Miss Zhao was made available to the Committee. It records that she was employed by one firm, Firm A as an Accountant:
 - Miss Zhao was employed by the above firm from 01 September 2017. There is no end date for this employment. This suggests she remained employed at least up to the date her time / experience was approved on 29 December 2020 (40 months in total).
 - In this role, the training record refers to two supervisors, Person A, who was authorised to approve her POs only, and Person D, who was authorised to approve her experience / time claim only.
 - Person D approved Miss Zhao's period of employment at the firm on 29 December 2020.
 - The Supervisor details for Miss Zhao record that Person D was a 'non IFAC qualified line manager' and hence why Person D only approved Miss Zhao's time / experience claim.
 - Person A was an external practical experience supervisor hence why Person A only approved Miss Zhao's achievement of her POs and not the period of her employment in the firm.

- In relation to the POs, the PER records that Miss Zhao requested Person A to approve all nine POs on 28 December 2020 and Person A apparently approved all nine POs on the same day.

Analysis of Miss Zhao's and Miss X's POs as contained in their PER training record

48. As referred to by Person C, all PO statements should be unique and must not be copied from other trainees or from templates as this undermines the PER element of ACCA qualification.
49. As part of ACCA's investigation a careful analysis was carried out comparing the POs of each trainee who claimed to have been supervised by Person A. The purpose of this analysis was to determine if the PO statements of any one trainee were identical or significantly similar to the POs of any other trainee who claimed to have been supervised by Person A.
50. In relation to Miss Zhao and Miss X, the analysis revealed all nine of their PO statements were essentially identical.
51. ACCA's analysis also revealed that the POs for both Miss Zhao and Miss X were purportedly approved by Person A on the same day, namely 28 December 2020.

Contact between Miss Zhao and ACCA

52. Following referral of this matter to ACCA's Investigations Team, a member of that team sent an encrypted email to Miss Zhao on 22 August 2022 attached to which was a letter which clearly set out the complaint and requested that Miss Zhao respond to a number of questions by 05 September 2022.
53. The letter also referred to CDR 3(1) requiring Miss Zhao to cooperate with the investigation by responding to the questions by the deadline.
54. Shortly after this encrypted email was sent, a non-encrypted email was sent to Miss Zhao asking her to check if she had received the encrypted email and if not to let ACCA know.

55. No extract to record Miss Zhao's email address from ACCA's records was taken on the day the above emails were sent. However, both prior and subsequent extracts taken from ACCA's records when latter correspondence was sent to Miss Zhao confirmed that Miss Zhao's email address on those dates was the same as the email address on the day the 22 August 2022 letter was sent to her via email. Miss Zhao did not reply to the email.
56. Shortly after the initial email was sent, 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 Miss Zhao referred to above include a telephone number. The message sent by ACCA's China office using this mobile number read as follows:
- 'Please note ACCA has sent you a password protected email on 18 August 2022 to your ACCA registered email address. Attached to the email is a letter. It is important you read this letter as soon as possible and respond by the deadline of 02 September 2022. If you have not received this password protected email or you have but cannot open the letter, please immediately notify ACCA at complaintassessment@accaglobal.com providing your full name, ACCA ID and date of birth.'*
57. ACCA's China office has confirmed that the message was sent on 22 August 2022 and was successfully delivered to Miss Zhao's mobile number that day.
58. While the initial letter in Miss Zhao's case was sent to her was on 22 August, not 18 August 2022 as the text message states, the text specifically requests that she contact ACCA if there are any issues, which she did not.
59. Given Miss Zhao did not respond by the above deadline, a further encrypted email was sent on 05 September 2022 with a copy of the letter attached to the previous email. In the covering email she was reminded of her obligation to cooperate by responding to the questions in the letter and to do so by 20 September 2022.
60. In relation to this first reminder, an extract taken from ACCA's records on the day the above emails were sent confirms that the email address used was the email address on ACCA's system on that day.

61. No response was received to this first reminder and therefore a second and final email was sent to Miss Zhao on 23 September 2022 with a copy of the letter attached to the initial email. In the covering email Miss Zhao was again reminded of their obligation to cooperate by responding to the questions by 07 October 2022 and that if she failed to do so ACCA would raise an allegation against them of failure to cooperate.
62. In relation to this second and final reminder, an extract taken from ACCA's records on the day the above emails were sent confirms that the email address used for was the email address on ACCA's system on that day.
63. Miss Zhao has not replied to the emails sent on 22 August, 05 September, or 23 September 2022.

DECISION ON FACTS, ALLEGATIONS AND REASONS

64. As stated above, and in reaching its decisions with regard to the allegations, the Committee considered the documents set out at the start of this Determination. The Committee listened carefully to the submissions made by Mr Jowett and also considered legal advice, which it had accepted.
65. Allegation 1 - 3 concerns the conduct on the part of Miss Zhao in relation to the completion of her practical experience training which is a prerequisite to applying for full membership of ACCA.
66. Allegation 4 concerns Miss Zhao's co-operation with ACCA investigations into these allegations.
67. Allegation 5 concerns misconduct or in the alternative liability to disciplinary action.
68. In reaching its findings of fact in respect of the allegations the Committee considered carefully, and accepted, the evidence of the following witnesses:
 - (i) Person A as contained in a statement and supplemental statement dated 18 October 2022 and 12 September 2023 respectively;
 - (ii) Person B, a Senior Administrator in ACCA's Member Support Team as contained in a statement dated 20 October 2022; and

(iii) Person C, Manager of ACCA's Professional Development Team, as contained in a statement dated 13 October 2022.

69. None of the above evidence had been challenged by Miss Zhao.
70. The Committee 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.
71. The Committee accepted the advice of the Legal Advisor as to how to approach the allegations, the evidence, its deliberations and the burden and standard of proof. It bore in mind throughout that whilst this case was joined to the case of Miss X, the allegations against Miss Zhao had to be determined separately and independently.

The Committee's decision in respect of Allegations

Allegation 1 (a)

72. The Committee was satisfied, on the balance of probabilities, that Miss Zhao knew that Person A had not acted as her PES.
73. The Committee accepted the evidence of Person A - who had only supervised one trainee in relation to one PO, who was outside of the group under investigation. It found that Person A did not provide the necessary supervision of Miss Zhao's work during any of the period that she worked at Firm A.
74. Further, the Committee noted that Ms Zhao had nominated Person A to act as her PES on 28 December 2020. She had, however, completed her training period on 29 December 2020. It follows; therefore, Person A could only have had oversight and contact with Miss Zhao as her PES for one day.
75. On the balance of probabilities, the Committee concluded that Miss Zhao clearly knew that Person A had not been acting as her PES during the relevant period.
76. The Committee was satisfied, on the balance of probabilities, that Miss Zhao knew the correct process that should have been followed in order to achieve her PER. A

substantial amount of support and instruction was issued by ACCA and available to Miss Zhao. The process was sufficiently clear.

77. On this basis, the Committee found the facts of allegation 1(a) proved.

Allegation 1 (b)

78. 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 undermines the PER element of ACCA qualification.
79. The Committee considered the careful analysis and comparison carried out by ACCA of the POs submitted by Miss Zhao and Miss X. Both were completed and approved by Person A on the same day. The similarities in the content of the PERs on each of the nine POs was outstanding (same training experience, effectively identical terminology to describe that work experience and matching grammatical errors). A conclusion that the PERs could be genuine was outwith the realms of credibility.
80. In particular, the Committee noted that the PER referred to work in the banking sector. This did not accord with Miss Zhao's stated employment as an Accountant with Firm A.
81. The Committee further determined that it was incredible that Person A could have approved all nine POs for Miss Zhao and Miss X in one day if effective and proper supervision had been carried out. Furthermore, there were 98 other trainees who were purportedly supervised by Person A in a relatively short period of time. It noted that the comments ascribed to Person A were repetitive and generic, totally lacking in detail and substance.
82. The Committee noted ACCA's concession that it was unable to say whether Miss Zhao had copied Miss X or vice versa or whether the POs had been compiled by someone else entirely. It was, however, struck by the fact that Miss Zhao and Miss X worked in different parts of China and had different jobs. The credibility of the PER was further undermined by the fact that the email address, namely [REDACTED], provided for Person A and Person D was the same. It found that on the balance of probabilities it was more likely that the POs had been created by a third party than that there was collusion between the two.

83. Having found that Miss Zhao was not supervised by Person A, the Committee was satisfied that Miss Zhao had not achieved the POs. There was no evidence that any proper PES was in place which is a necessary requirement.
84. On this basis, the Committee found the facts of allegation 1(b) proved.

Allegations 2(a) and (b)

85. The Committee relied upon its findings of fact under allegations 1(a) and 1(b) above.
86. The Committee had found that Miss Zhao knew:
- a. What was required of her in the completion of her PER
 - b. What the supervision requirements were
 - c. That Person A had not supervised her practical training

87. Nevertheless, Miss Zhao had held out that she had been supervised by Person A and that Person A had approved her POs. There was no evidence before the Committee that any PES had been in place at all during the practical training. Miss Zhao's actions had been deliberate and intentional.

88. The Committee was satisfied that, by the standards of ordinary decent people, such conduct would be considered to be dishonest.

89. Consequently, the Committee found allegations 2(a) and 2(b) proved.

Allegation 2(c)

90. 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.

Allegations 3(a), (b) and (c)

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 4

92. The Committee considered the documentary evidence before it carefully. Miss Zhao had registered an email address with ACCA. There was evidence before the Committee that the emails sent on 25 August, 05 September, and 23 September 2022 had been opened. On the balance of probabilities, the Committee concluded that Miss Zhao had opened the emails sent to her registered address. She was, therefore, well aware of the investigation being undertaken and her duty co-operate which was repeatedly reiterated.
93. In the circumstances, the Committee was satisfied that Miss Zhao was using the email address and receiving correspondence sent to it. It was apparent that she had chosen to disengage.
94. Miss Zhao was written to repeatedly. Attempts were made to call her phone number.
95. No response was made to the correspondence sent on 22 August 2022, 05 September 2022, and 23 September 2022.
96. This was despite the fact that she was under a positive obligation pursuant to CDR 3(1).
97. The Committee found Allegation 4 proved in its entirety.

Allegation 5

98. Taking account of its findings that Miss Zhao 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 Miss Zhao, the Association, and the accountancy profession.
99. The practical training and PER process is in place to protect the public and maintain standards within the profession. It represents a fundamental requirement for qualification.
100. Members of the public would be very concerned to learn that membership to ACCA had been gained under deliberate, false pretences and fellow practitioners would have no

hesitation in finding Miss Zhao's conduct deplorable. A substantial risk to the public was created by Miss Zhao's conduct and continuing to pose as a qualified accountant.

101. Furthermore, the failure to co-operate with ACCA's investigation was capable of amounting to misconduct in of itself. There was a positive duty to co-operate upon Miss Zhao and her actions risked jeopardising the investigation and the integrity of ACCA membership.

102. The Committee found allegation 5 proved.

SANCTION AND REASONS

103. 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 Jowett, and to the legal advice from the Legal Adviser, which it accepted.

104. The Committee considered the available sanctions in increasing order of severity. The Committee deemed that no further action was inappropriate and would not address the need to protect the public.

105. The Committee was mindful of the fact that the purpose of any sanction was not to be punitive, although it may have that effect. Rather the purpose of any sanction was to protect the public interest, namely 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.

106. The Committee considered the Guidance including the Table at section F. It concluded that the misconduct found proved was very serious, involving a failure to co-operate, deceiving a Regulator and lack of integrity.

107. The Committee considered whether any mitigating or aggravating factors featured in this case. The Committee accepted that there were no previous findings against Miss Zhao but concluded that this carried little weight bearing in mind the circumstances of the case and the fact that Miss Zhao's, dishonestly obtained, membership was in its infancy.

108. As for aggravating features, on the basis of the Committee's findings, it had been established that Miss Zhao's behaviour had been dishonest. Particular features of the misconduct were of note:
- a. She had engaged in deception of her Regulator.
 - b. She had practised without being properly qualified or supervised - there was an established pattern over a period of time.
 - c. She had acted for personal gain.
 - d. Miss Zhao had gained qualification as an accountant without proving the necessary competence or experience. Her conduct had the potential to harm / adversely impact upon members of the public.
109. The Committee concluded that neither an admonishment nor a reprimand would adequately reflect the seriousness of the Committee's findings. There had been no admissions, apology, demonstration of insight or remorse. There were no persuasive mitigating features to the case. The misconduct had been deliberate and was not of a minor nature. There had been a lack of co-operation with ACCA.
110. The risk to the public is ongoing. Miss Zhao is currently a member of ACCA.
111. The Committee then considered whether a severe reprimand would be an appropriate sanction. Again, taking account of the seriousness of its findings and the observations above, the Committee did not consider that a severe reprimand would be sufficient or proportionate.
112. Miss Zhao had been found to have acted dishonestly in her pursuit of membership with ACCA. The dishonesty that had been found proved was at the top end of the spectrum and amounted to truly reprehensible conduct. The dishonesty had been persistent and involved collusion with a third party. The Committee concluded that she presented a risk to the accountancy profession and the public.
113. In the Committee's judgement, Miss Zhao'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.

114. The Committee concluded that the only appropriate, proportionate, and sufficient sanction was to order that Miss Zhao shall be excluded from membership of ACCA. Indeed, as membership had not been achieved through legitimate means, ensuring competency, this sanction was necessary.
115. On behalf of ACCA, Mr Jowett submitted that the order should have immediate effect. The Committee sought advice from its Legal Advisor and considered this submission. It concluded that as Miss Zhao continues to present a risk to the public the order must be of immediate effect to provide adequate and effective protection.

Costs and reasons

116. The Committee had been provided with a simple cost schedule and a detailed cost schedule. It accepted the advice of its Legal Adviser.
117. The Committee concluded that ACCA was entitled to be awarded costs against Miss Zhao, all allegations, including dishonesty, having been found proved.
118. The amount of costs for which ACCA applied was £5,964.75. The Committee considered that the costs incurred were reasonable.
119. The Committee paid careful regard to the principle of proportionality, but the Committee was not apprised of any information or detail relating to Miss Zhao's means having not participated in the proceedings at all.
120. The Committee noted that the Guidance for Costs, at paragraphs 27 - 29, stipulates the following:

Before making any reduction as to costs, the Committee must have evidence of the relevant person's financial circumstances. Importantly, the relevant person must provide some documentary proof, ideally through a completed Statement of Financial Position and supporting documentation.

If a relevant person does not provide proof of financial means, the Committee is entitled to infer that the relevant person is able to meet the costs that it orders.

In the absence of evidence or proof, Committees should not speculate as to the relevant person's means.

121. The Committee noted that the amount of estimated time claimed in respect of today's hearing was greater than the time the hearing had actually taken. It duly reduced the costs claimed to account for this.

122. Costs were awarded against Miss Zhao in the sum of £5,289.75.

Mrs Colette Lang
Chair
11 July 2024