

## HEARING

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

#### REASONS FOR DECISION

<b>In the matter of:</b>	<b>Miss Angela Li Xi</b>
<b>Heard on:</b>	<b>09 &amp; 10 May 2024, 21 May 2024 (in chambers) and 10 June 2024</b>
<b>Location:</b>	<b>Remotely via Microsoft Teams</b>
<b>Committee:</b>	<b>Mr Martin Winter (Chair) Ms Joanne Royden-Turner (Accountant) Ms Deborah Fajoye (Lay)</b>
<b>Legal Adviser:</b>	<b>Mr Robin Havard (Legal Adviser)</b>
<b>Persons present and Capacity:</b>	<b>Mr Adam Slack (ACCA Case Presenter) on 09 &amp; 10 May 2024 and Mr Ryan Ross (ACCA Case Presenter) on 10 June 2024 Miss Mary Okunowo (Hearings Officer) Miss Angela Li Xi (Member) Ms Sophie Sanders (Interpreter) on 09 &amp; 10 May 2024 and Ms Junling Gao (Interpreter) on 10 June 2024</b>
<b>Summary:</b>	<b>Allegations 1, 2(a), 4(a), (b) &amp; (c), &amp; 5(a) were found proved.</b>
<b>Sanction:</b>	<b>Exclusion from membership with immediate effect.</b>

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**Costs: £1,000**

## **PRELIMINARY APPLICATIONS**

### **APPLICATION TO AMEND**

1. The Committee had noted that allegation 2 contained particulars which alleged both dishonesty and a failure to act with integrity.
2. The Committee asked Mr Slack to confirm if the allegation of a failure to act with integrity should, in fact, be alleged in the alternative to the allegation of dishonesty. Mr Slack confirmed that this was the case.
3. As such an amendment did not cause any prejudice to Miss Li, the Committee directed that allegation 2 should be amended such that the allegation of a failure to act with integrity was to be considered in the alternative to the allegation of dishonesty.

### **ALLEGATIONS (as amended)**

Miss Angela Li Xi ('Miss Li Xi'), at all material times an ACCA trainee,

1. Applied for membership to ACCA on or about 04 April 2020 and in doing so purported to confirm in relation to her ACCA Practical Experience training record her Practical Experience Supervisor in respect of her practical experience training in some or all of the period between 01 December 2015 and 05 February 2016 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.
2. Miss Li Xi's conduct in respect of the matters described in Allegation 1 above:-

- a) Was dishonest, in that Miss Li Xi sought to confirm her Practical Experience Supervisor did supervise her practical experience training in accordance with ACCA's requirements or otherwise and/or her Supervisor had personally verified the achievement of the performance objectives claimed and/or that they had been achieved in the manner claimed either or both of which she knew to be untrue, or, in the alternative,
  - b) Demonstrates a failure to act with Integrity.
3. In the further alternative to Allegations 2a) and 2b) above, such conduct was reckless in that Miss Li Xi 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;
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) 12 August 2022;
  - (b) 30 August 2022;
  - (c) 14 September 2022.
5. By reason of her conduct, Miss Li Xi is

- a) Guilty of misconduct pursuant to ACCA bye-law 8(a)(i) in respect of any or all the matters set out at 1 to 4 above; in the alternative in respect of allegation 4 only
- b) Liable to disciplinary action pursuant to bye-law 8(a)(iii)

### **DECISION ON FACTS, ALLEGATIONS, AND REASONS**

4. In reaching its decisions with regard to the allegations, the Committee had considered the following documents: a Report of Disciplinary Allegations and Evidence Bundle (pages 1 to 244); an Additional Bundles (pages 1 to 73); a Tabled Additional Bundles (pages 1 to 6), and a Service Bundle (pages 1 to 20).
5. In the course of the hearing, Miss Li also made reference to certain documents which had been sent to ACCA by Miss Li as an attachment to her email of 27 April 2024 but which had not been added to the documents made available to the Committee prior to the hearing. The reason given to the Committee by Mr Slack was that ACCA had been unable to open the attachment.
6. However, Miss Li having made reference to them in the course of her submissions, ACCA was able to find a way to access the documents. The first document was ACCA's Membership Application Guide (pages 1 to 72) provided to the Committee at the end of the first day of the hearing.
7. The remaining documents were provided to the Committee on the evening of the first day of the hearing titled Tabled Additional Bundles (2) (pages 1 to 23), and during the course of the hearing on the second day (Tabled Additional Bundles (3) (pages 1 to 18). Finally, the Committee was provided with a document from the Inland Revenue of Singapore relating to Miss Li's tax assessment (page 1). In advance of the resumed hearing on 10 June 2024, ACCA served a further Service Bundle (pages 1 to 7).

8. The Committee had listened carefully to the oral evidence given, and submissions made, by Miss Li and the submissions of Mr Slack. It had also considered legal advice, which it had accepted.

### **Allegation 1**

9. This allegation was denied by Miss Li.
10. The Committee made the following findings of fact.
11. On 07 February 2008, Miss Li became a student member of ACCA.
12. On 18 July 2016, Miss Li was admitted as an affiliate.
13. On 09 April 2020, Miss Li was admitted as a member.
14. Allegation 1 concerned the conduct on the part of Miss Li in relation to the completion of her practical experience training which is a prerequisite to applying for full membership of ACCA.
15. It was alleged that Miss Li purported to claim that, between 01 December 2015 and 05 February 2016, Person A acted as her Practical Experience Supervisor when, in fact, Person A did not supervise her practical experience training in accordance with ACCA's requirements or at all.
16. In reaching its findings of fact in respect of allegation 1, the Committee had considered carefully, and accepted, the evidence of the following witnesses:
  - (i) Person A, 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.
17. None of the above evidence had been challenged by Miss Li.
18. The Committee had also considered the content of the documents provided by ACCA in support of its case, all of which were consistent with the written evidence of ACCA's witnesses.

### **THE PROCESS TO ACQUIRE RELEVANT PRACTICAL EXPERIENCE**

19. The following sets out the process Miss Li would have been required to follow, as detailed by Person C in their statement, in order to acquire relevant practical experience.
20. The following abbreviations have been used:
- PER – Practical Experience Requirement;  
PES – Practical Experience Supervisor;  
PO – Performance Objective.
21. 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.
22. A person undertaking practical experience is often referred to as an ACCA trainee.
23. 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.

24. 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.
25. 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.
26. 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.
27. Through the online tool, the trainee then requests that their PES approves that PO.
28. 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.
29. 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.

30. 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.'*

31. 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.

32. 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.

33. Each PO comprises three parts: (i) a summary of what the PO relates to, (ii) five 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.

34. In total, a trainee is required to complete nine POs. The POs numbered 1 to 5 are compulsory. There are then a number of optional 'Technical' POs from which the trainee needs to choose four. ACCA recommends to trainees that they choose the technical POs that best align to their role so that it is easier to achieve the PO. In that regard the ACCA's requirements as published in the 2019 guide, and subsequently, explain the following:

*'The performance objectives you choose should be agreed with your practical experience supervisor. You should consider the following points when selecting which performance objectives to target ... .. Match any business objectives*



*you have been set at work with the performance objectives. This will allow you to work towards your business objectives and your PER at the same time."*

35. 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.

36. A trainee's personal statement for each PO must be their own personal statement that is unique to them and their own experience. Trainees must not, therefore, use a precedent or template or another trainee's personal statement, which would undermine the PER element of the ACCA qualification. The 2019 published guide concludes:

*"Your situation and experience are unique to you, so we do not expect to see duplicated wording, whether from statement to statement, or from other trainees. If such duplication occurs, then it may be referred to ACCA's Disciplinary Committee."*

37. 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 and therefore it would follow that they have a reasonable command of the English language. They are also available in Mandarin.

38. 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.

39. On the dates Person A was allegedly appointed supervisor for Miss Li, there was no requirement for the supervisor to provide the name of their employer.

Instead, they were only required to register their job title and provide their email address.

40. 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'.
41. Information from one of ACCA's China offices about the support given to ACCA trainees in China is as follows.
42. ACCA's Customer Services Team in China email all ACCA affiliates in China inviting them to regular webinars provided by ACCA staff who can advise on the PER process.
43. The Committee had noted a list of webinars (translated using Google translate) relating to ACCA's membership application process dated from 14 December 2016 to 27 August 2022. There are a number dated in 2019 including one dated 30 May 2019. The details include reference to:  
  
*'...Record 36 months of accounting-related work experience in myACCA, and complete 9 Performance Objectives, which will be confirmed online by your Supervisor...'*
44. These are live webinars and therefore trainees are able to ask ACCA China staff questions.
45. The webinar details refer to encouraging trainees to join the ACCA WeChat group of their regional service group and provides details how to join. All the webinars listed include the same details about these WeChat groups. 'WeChat' is a social media app available globally but used extensively in China. In these

WeChat groups, ACCA trainees can ask ACCA China staff questions including about the PER process.

46. In addition to the WeChat groups, ACCA China uploads to its WeChat platform articles relevant to the ACCA membership process, to include one entitled '*How to become an ACCA Member Series 1/ Practical Experience Requirement (PER) Quick Guide*', dated 15 January 2020. The article refers to a mentor, which is the same as a supervisor. Under the heading '*Find a mentor*' the article states in particular: '*Your experience must be under the supervision of a mentor to count towards PER. You must find a mentor with real work experience to monitor and confirm your work hours and performance goals...*'
47. Under the heading '*Determine performance goals*' the article states in particular:

*"You have to choose which performance goals to accomplish, here are some points to keep in mind:*

- *You need to complete 9 performance goals, including all 5 core goals and any 4 technical goals;*
- *Work with your practical experience mentor to develop a plan to achieve performance goals;*
- *Choose technical goals that are relevant to your day-to-day work, as they are easier to achieve;...."*

#### **ACCA's INVESTIGATION**

48. 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 Li, had completed their PER training record in which they claimed their POs had been approved by a particular supervisor, namely Person A.

49. A person purporting to be Person A registered as each trainee's supervisor on the basis of them being a member of CICPA, being an IFAC registered body. As stated, they were, from ACCA's point of view, a 'qualified accountant'.
50. Person C states, and the Committee found, that a supervisor would not be expected to have more than two to three trainees at any one time. All of the 100 trainees referenced above had different periods of training and some periods overlapped, and ACCA was unable to produce precise figures as to how many trainees Person A allegedly supervised at any one time. However, the Committee was satisfied that a person claiming to be Person A had purported to have supervised a very significant number of ACCA trainees, including Miss Li, at or about the same time.
51. 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 who had all claimed to have been supervised by the same supervisor, namely a 'Person A'.
52. ACCA contacted Person A via CICPA. Person A had been a member of the CICPA since 03 April 2019. Therefore, it was only from that date that Person A would be entitled to supervise an ACCA trainee. In any event, Person A initially denied having supervised any ACCA trainees. During this contact, Person A provided ACCA with their email address.
53. Although initially, Person A advised ACCA they had never supervised any ACCA trainees, they subsequently recalled having supervised a single ACCA trainee.
54. Person A provided ACCA with the name of the trainee. ACCA's records confirm Person A did act as a supervisor for this one trainee. However, that one trainee was not one of the 100 cases under investigation, to include the case of Miss Li. In addition, Person A acted as supervisor for this trainee only to the limited extent of approving one of their nine performance objectives.

55. The reason this ACCA trainee was not included in these 100 cases under investigation was because Person A had been issued with a different supervisor registration number by ACCA, and their details were different to the 'Person A' who purportedly supervised the 100 other trainees, including Miss Li. This included their email address. The email address registered by 'Person A' in connection with these 100 trainees was "[REDACTED]", which was totally different to the email address provided by Person A to ACCA. Person A stated, and the Committee found, that Person A had never had an email address containing '[REDACTED]'.
56. 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 was their genuine registration card, but Person A had not provided this to ACCA.

#### **THE PRACTICAL EXPERIENCE REQUIREMENT (PER) TRAINING RECORD FOR MISS LI**

57. A copy of the PER training record for Miss Li recorded she was employed by three firms continuously, save for some small gaps between each employment, in the period 07 June 2011 to 05 February 2016. In particular, it recorded the following:

##### **Firm A**

58. The first firm Miss Li trained at was Firm A where she was employed from 07 June 2011 to 31 July 2013 in the role of Audit Assistant.
59. The PER training record recorded this as '*26 months claimed on the IMPORT*' of relevant practical experience which related to the period of employment referred to in the paragraph immediately above. The

reference to '*import approved*' referred to time recorded using a prior version of the PER MyExperience recording tool.

60. When ACCA transferred to the current tool, this time was taken to the new tool, and upon initial login to the new system, trainees were asked to either confirm this remained accurate or, if necessary, to amend it.
61. The Committee noted that, in the previous tool, time was not verified by a supervisor; this was an enhancement brought into the current tool. Therefore, self-confirmation of imported time was permitted in order not to disadvantage those trainees who had initially recorded experience in the previous tool. If any additional time was added, this would need to be verified as per the current tool, but currently recorded time, or a reduction in time, would not need to be verified.
62. No PES was connected with Miss Li's employment with this firm.

### **Firm B**

63. The PER training record recorded the second firm where Miss Li trained was Firm B where she was employed from 02 September 2013 to 02 October 2015 in the role of Audit Senior Assistant.
64. The PER training record recorded this as '*11 months claimed on the IMPORT*' of relevant practical experience which related to the period of employment referred to in the paragraph immediately above.
65. In this role, the PER training record referred to a single supervisor, Person D, who was recorded as authorised to approve Miss Li's experience/time claim and to approve her Performance Objectives, though for the reasons explained below, they did not in fact do so.

66. The Supervisor details for Miss Li recorded that Person D was an '*IFAC qualified line manager*'.
67. The clock icon next to a supervisor meant that they were still waiting to be linked. If there had been a chain icon (not in this case present), this would have meant that the trainee and Supervisor were successfully linked. This indicates that, in relation to Person D, while they were nominated to sign off objectives and time, they had not accepted this invite. Therefore, they did not verify any information and ACCA was unable to confirm if they were IFAC qualified.
68. As with the previous claim, the employment period was imported. Therefore, this did not need to be verified by a supervisor.
69. The Committee noted from the screenshot of the PER online tool that, in the left-hand column under the dates and names of employment, it stated, '*you can claim 14 months when you link a supervisor to this role*' This would then total the 25 months of experience noted at the beginning of Miss Li's PER.
70. However, as Person D had not accepted the invite, the 11 months of imported time was the only time that could be counted. If a supervisor had been linked, the remaining time could have been sent to them for approval.

### **Firm C**

71. The PER training record recorded the third firm where Miss Li was employed was Firm C where she was employed from 01 December 2015 to 05 February 2016 in the role of Audit Assistant Manager.

72. The PER training record recorded this as '*2 months claimed*' of relevant practical experience which related to the period of employment referred to in the paragraph immediately above.
73. The period of 53 months referred to at the beginning of Miss Li's PER corresponded with the combined period of training at the three firms named above in the period 07 June 2011 to 05 February 2016. However, for the reasons outlined above relating to Person D not having accepted the invitation to sign off Miss Li's POs, it was not possible for Miss Li to claim the full 53 months. However, even disregarding the time which cannot be claimed, Miss Li had met the 36 months compulsory period of practical experience training.
74. In this third role, the PER training record referred to a single supervisor, Person A, who was described as an 'IFAC qualified external supervisor'.
75. In relation to the POs, the PER training record recorded that Miss Li requested Person A to approve all nine POs on 04 April 2020 and Person A apparently approved all nine POs on the same day, 04 April 2020. This was four years after Miss Li had, according to her training record, left Firm C.
76. The Supervisor details for Miss Li recorded that Person A was an external PES, hence why Person A only approved Miss Li's achievement of her POs and not the period of her employment in Firm C or indeed in relation to the two previous firms at which she had trained. There was no evidence Person A had any connection with the first two firms Miss Li referred to in her training record. The achievement of the performance objectives appeared to be connected with the training at Firm C. However, as previously stated, this period of training only lasted 2 months and even that period of training had not been verified. There was no evidence to indicate that Person A had any connection with Firm C.



**ANALYSIS OF MISS LI'S POs AS CONTAINED IN HER PER TRAINING RECORD WITH OTHER ACCA TRAINEES WHO CLAIMED TO HAVE BEEN SUPERVISED BY PERSON A**

77. 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 training record element of the ACCA qualification.
78. The PO statements within Miss Li's PER training record had been carefully analysed by ACCA and compared with the PO statements of all the other trainees who claim to have been supervised by Person A. Following that analysis, it was accepted by ACCA that although three of Miss Li's PO statements were the same as, or very similar to, other trainees within this cohort of 100 cases, such statements of Miss Li's were the first in time. It was therefore accepted by ACCA that, in the absence of any other evidence, the PO statements were written by Miss Li and based on her experience at, it would appear, Firm C (being the only firm referenced by Person A in approving her performance objectives). However, as it was disputed that Person A supervised Miss Li's practical experience, the achievement of the Performance Objectives and the manner they have apparently been achieved, in accordance with the accompanying statements, had not been independently verified.

**THE COMMITTEE'S DECISION IN RESPECT OF ALLEGATION 1**

**Allegation 1**

79. Based on the evidence of Person A, and its findings of fact as set out above, the Committee was satisfied, on the balance of probabilities, that Person A had not acted as Miss Li's PES in accordance with ACCA's requirements or at all.

80. In the course of her evidence, Miss Li confirmed that, on 18 September 2016, she sent an email to Person D of Firm B, inviting them to be her PES for the period that she worked at Firm B. Person D failed to respond and, therefore, Miss Li did not proceed with her application for membership at that time.
81. This email was included in her response to ACCA dated 27 April 2023. In her response, whilst it was not clear exactly when this happened or how, Miss Li stated that she came to be included in what was described by her as an, "*online ACCA chatting group*". In her oral evidence, she stated this was via the WeChat platform. A person purporting to be Person A was a member of the same group. On the basis of the evidence of Person A, the Committee had already found that the person engaging with Miss Li and others on the WeChat chatting group was not the real Person A. Miss Li referred to the person as HT.
82. Despite the fact that the work on which Miss Li based her practical experience related mostly to her period of employment some four years previously when at Firm C, on 04 April 2020, she requested HT to be her PES and approve all nine of her POs, which HT duly did on 04 April 2020.
83. At that time, the relevant version of the PER trainee guide was dated March 2020.
84. The Committee was satisfied that, at page 6 of that document, under the heading, "*What is a Practical Experience Supervisor*", the guidance sets out clearly what was expected of a PES, and the close relationship that was required between the trainee and the PES. It emphasised the need for the PES and trainee to work closely together, to assist in planning how to gain relevant experience, and how the PES must have knowledge of the trainee's work. In particular, the following are extracts from the guidance:

*"They should be someone with whom you work closely, who knows the type of work you are doing and the quality of your work."*

*"A practical experience supervisor cannot sign off experience that you have not been able to demonstrate to them in the workplace."*

85. In denying this allegation, Miss Li had indicated that, as Person D had not responded to her email of 16 September 2016, she subsequently discovered that she was able to rely on an external PES. However, the guidance stated as follows:

*"If you are the most senior finance person in your organisation, you work for a small organisation, or 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."*

86. The Committee found that neither Person A, nor, indeed, the person purporting to be Person A, had supervised Miss Li's practical experience training in the period between 01 December 2015 and 05 February 2016 in accordance with ACCA's guidance or at all.
87. On this basis, the Committee found allegation 1 proved.

### **Allegation 2(a)**

88. The Committee relied on its findings of fact under allegation 1 above.
89. In addition, the Committee considered carefully, and followed, the approach to an allegation of dishonesty as prescribed in the decision of the Supreme Court in *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67.
90. As stated, the Committee had read Miss Li's written responses, both in the Case Management Form and in her email of 23 April 2023. The Committee had also listened to her oral evidence. Miss Li maintained that, at the time that she named HT as her PES and when she applied for membership, she had relied

on the guidance to be found in the 2020 Membership Application Form that she had downloaded from ACCA's website.

91. In particular, she relied on the statement which said, *"If your line manager is not suitably qualified, you need to identify someone qualified to sign-off the objectives, and any member of IFAC can be your PES"*. Just above that statement, the guidance also states, *"A qualified accountant of a professional accountancy audit body recognised by law in this country who knows your work"*.
92. In her response of 23 April 2023, Miss Li confirmed that, due to her commitments both to her work and to her family, she did not look up relevant information regarding ACCA's Practical Experience Guidance and that she may have misunderstood the 2020 membership application guidance. She maintained in her written and oral evidence that she believed that, as long as the person was suitably qualified and had knowledge of her work, that person could act as her PES.
93. Miss Li confirmed in her oral evidence that, whilst she had sent to HT in 2020 a description of the work she had undertaken in 2015 and 2016 whilst at Firm C, she did not send any documents or files to HT as she was not in possession of them and also such documents were confidential.
94. Whilst the Committee concluded that Miss Li believed that the steps she had taken were legitimate, it also took into consideration the following findings of fact.
95. When Miss Li had written to Person D on 16 September 2016, she illustrated in that email a level of knowledge regarding the PER process. For example, Miss Li attached to her email an, *"Approved Employer PER confirmation form"* for them to complete. She informed Person D, *"(Note: Firm B is a platinum ACCA approved employer which allow trainees to claim the completion of Practical Experience Requirement (PER) performance objecties through submitting the "Approved employer PER confirmation form")"*(sic).

96. Secondly, when asking Person D to sign off all or part of her POs, she attached to the email to Person D the "ACCA performance objective booklet". When providing her oral evidence, Miss Li suggested that, even though she had sent the guidance to Person D, she had not read it or tried to understand it at the time. The Committee did not find it plausible that Miss Li would have known it was a relevant document to assist Person D in understanding their role without having read it herself, particularly as, in her email, Miss Li made specific reference to Person D acting as her PES and her request for Person D to sign off her POs.
97. At page 2 of that document, which is the first page on which there is any narrative, the following extracts are of particular relevance:

*"Each trainee is required to plan with their practical experience supervisor which performance objectives they aim to achieve. This process will help both to identify which performance objectives the trainee can realistically achieve in their current role."*

*"As an employer or practical experience supervisor, you should encourage trainees to think about ways they can achieve performance objectives and provide opportunities for them to do this eg secondments or job rotations, project work, or learning and undertaking new responsibilities."*

*"Once the practical experience supervisor and the trainee have identified which performance objectives the trainee is going to achieve, the trainee will need to complete a period of work where they are gaining experience and developing their skills. The practical experience supervisor and the trainee will then need to review this experience."*

*"Practical experience supervisors will need to review and sign-off the performance objective if the trainee has achieved it or alternatively, provide further guidance on what future activity needs to be completed."*

98. The Committee found that, having read this Guidance in 2016, Miss Li knew at that time that the need for a close-working relationship between a trainee and a PES, whether internal or external, and the need for ongoing supervision, were critical requirements.
99. Miss Li indicated that she did not pursue her application for membership until 2020 because her employer, which was based in her hometown, did not have anyone sufficiently qualified. It was only when she became involved in the WeChat platform and the ACCA chat group that she discovered that it was possible for an external accountant to act as PES.
100. Miss Li then indicated that, having found out about the possibility of HT acting as her PES, she spoke with ACCA's China hotline and they confirmed that it was possible for Miss Li to use an external PES. Miss Li said that she did not ask for any further assistance or advice from ACCA as she was receiving such assistance from HT. It was also around this time that Miss Li downloaded the 2020 Guidance on Membership Application.
101. However, although Miss Li indicated that she had sight of HT's purported membership of IFAC, she confirmed that, throughout the whole process, her only contact with HT was via WeChat. Miss Li never spoke to, let alone met, HT. Furthermore, there was no attempt to arrange for HT to speak to any of Miss Li's line managers at Firm C.
102. Miss Li was also describing to HT work she had conducted at Firm C over four years' previously.
103. To summarise, in reaching its finding, the Committee had taken account of the following:
- (a) Person A had stated, and the Committee had found, that they did not act as PES to Miss Li;

- (b) There was no documentary evidence at all of any contact between Miss Li and Person A, such as supervision notes, meeting notes, file reviews, text messages, appointments, or emails concerning work undertaken by Miss Li when at Firm C;
- (c) Miss Li had accepted that she did not know whether the person pretending to be Person A, namely HT, was a man or a woman. Indeed, she had never spoken to, let alone met, HT and only communicated via WeChat;
- (d) By reference to her email of 27 April 2023, it was clear that, despite Miss Li stating that she was not aware of the PER process, she illustrated a level of knowledge in her email to her manager in Firm B dated 18 September 2016 regarding the PER process;
- (e) The Committee had also found that, as at 2016, she had read, and was aware of, the content of the ACCA performance objective booklet which she had sent to Person D. As set out above, this contained clear guidance on what was expected of a PES, and of the need for a close working relationship between a trainee and his or her PES;
- (f) Miss Li had sent to HT a description of work she had undertaken over four years previously on the basis of which she requested, on 04 April 2020, HT to approve all of her POs, and which were approved by HT on the same day;
- (g) The Committee was satisfied that it was not possible, on any basis, to conclude that HT had exercised any supervision of Miss Li's work;
- (h) Miss Li endeavoured to rely on the fact that she had contacted ACCA's China hotline who confirmed it was possible for her to rely on an external PES. She had accepted that this was the only information she had requested from ACCA China. The Committee found it was inconceivable that, if Miss Li had outlined the detail of the history of the matter, and the

circumstances surrounding her intention to request a person purporting to be Person A to be her PES, ACCA's China office would have said that this was satisfactory and compliant.

104. Taking account of its findings, even if Miss Li had convinced herself that what she had done was compliant with ACCA's PER, the Committee was satisfied that, by the standards of ordinary decent people, her conduct was dishonest.

105. In particular, the Committee found, on the balance of probabilities, that, by the standards of ordinary decent people, the conduct of Miss Li, in seeking to confirm that the person holding him or herself out to be her PES:

- (i) did supervise her practical experience training in accordance with ACCA's requirements;
- (ii) had personally verified the achievement of the performance objectives claimed, and that they had been achieved in the manner claimed, was dishonest.

106. On this basis, the Committee found allegation 2(a) proved.

**Allegation 2(b)**

107. On the basis that this allegation was pleaded in the alternative to allegation 2(a), the Committee made no finding in respect of it.

**Allegations 3(a) & (b)**

108. On the basis that these allegations were pleaded in the alternative to allegations 2(a) and 2(b), the Committee made no finding in respect of them.

**Allegation 4**



109. On 12 August 2022, following referral of this matter to ACCA's Investigations Team, a member of that team sent an email to Miss Li attached to which was a letter which set out the complaint and requested that Miss Li respond to a number of questions by 26 August 2022.
110. The letter also referred to Complaints and Disciplinary Regulation 3(1) informing Miss Li of her obligation to cooperate with the investigation by responding to the questions by the deadline.
111. This email was sent to the email address Miss Li had registered with ACCA and which was the email address on the register on the day the email was sent. This email was encrypted with a password which is recorded in a separate email sent on the same day. A further non-encrypted email was sent on the same day to check that Miss Li had received the encrypted email.
112. In the subject line, it states, "ACCA Confidential", and it is shown to be from "ACCA<[REDACTED]>"
113. Miss Li failed to respond.
114. On 30 August 2022, ACCA sent another email to Miss Li and attached the letter sent on 12 August 2022. Miss Li was again reminded of her duty to cooperate and was given until 13 September 2022 to respond. In relation to this first reminder, an extract taken from ACCA's records on the day the above emails were sent records that the email address used for these emails was the email address on ACCA's system on that day.
115. In this email, the subject line is, "ACCA Confidential – The recent complaint about you", and it illustrates it was again from "ACCA<[REDACTED]>"
116. Miss Li failed to respond.
117. On 14 September 2022, ACCA sent a further email to Miss Li, again attaching the letter sent with the original email of 19 August 2022, and again reminding

her of her duty to cooperate. She was warned that, if she did not respond by 28 September 2022, her failure to cooperate may form a separate allegation against her.

118. In this email, the subject line is again, "ACCA Confidential – The recent complaint about you", and it illustrates it was again from "ACCA<[REDACTED]>"
119. In relation to this second reminder, an extract taken from ACCA's records on the day the above emails were sent again records that the email address used for these emails was the email address on ACCA's system on that day.
120. Miss Li failed to respond.
121. The Committee was satisfied that the correspondence from ACCA to Miss Li was sent to her correct email address.
122. The Committee noted that, via Microsoft Teams, attempts had been made to call many of the trainees who were being investigated but the telephone numbers have not been recognised. Shortly after the initial email was sent to all trainees, 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 Li 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 12 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 26 August 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](mailto:complaintassessment@accaglobal.com) providing your full name, ACCA ID and date of birth"*

123. ACCA's China office had provided a spreadsheet, recording when this message was sent and whether or not all the messages were successfully delivered.
124. ACCA's China office had confirmed, and the Committee found, that the message was sent on 18 August 2022 and was successfully delivered to Miss Li's mobile number that day. Indeed, Miss Li stated in her oral evidence that the number quoted was correct.
125. Miss Li failed to respond to ACCA's emails of 12 August 2022, 30 August 2022, and 14 September 2022.
126. In her evidence, Miss Li suggested that she had not seen any of the emails. Miss Li maintained that she typically only used her ACCA email account when she was overseas. In normal day-to-day communications, Miss Li stated that she would communicate via WeChat and therefore would not have seen the emails from ACCA.
127. The Committee did not accept Miss Li's explanation. This was particularly so, taking account of the text message delivered to her mobile on 18 August 2022. She confirmed that she used her phone on a daily basis but had no memory of receiving the text from ACCA even though the initials, "ACCA" appear at the very beginning of the text. The Committee found, on the balance of probabilities, that Miss Li received, and read, the text from ACCA.
128. Consequently, the Committee also found, on the balance of probabilities, that, having read the text message of 18 August 2022, Miss Li would have known that she had received ACCA's email of 12 August 2022. The Committee found that she had failed to reply promptly to it and the ensuing emails of 30 August 2022 and 14 September 2022.
129. In making this finding, the Committee had taken into consideration the fact that, once she had been contacted by ACCA by phone on 23 April 2023, she then provided a response via her email of 27 April 2023.

130. On this basis, the Committee found that she had failed to cooperate with ACCA's Investigating Officer. Consequently, the Committee found allegations 4(a), (b) and (c) proved.

#### **Allegation 5(a)**

131. Taking account of its findings that Miss Li 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 Li, the Association, and the accountancy profession.

132. In respect of allegation 4, the Committee had found that, despite ACCA providing a number of reminders of her obligation to cooperate and warnings of potential consequences of her failure to do so, Miss Li had failed to cooperate with ACCA and to respond promptly to correspondence.

133. The Committee had taken into consideration that the email of 12 August 2022 contained a substantial amount of information and a significant number of detailed questions which Miss Li was required to answer. The text message of 18 August 2022 and the emails of 30 August 2022 and 14 September 2022 were designed to encourage Miss Li to provide the information requested in the first email to enable ACCA to continue with its investigation.

134. The need for members to engage and cooperate with their regulator was fundamental. A failure by members to do so meant that ACCA's ability to regulate its members in order to: ensure proper standards of conduct; to protect the public, and maintain its reputation, was seriously compromised.

135. The Committee found that the failure of Miss Li to cooperate with her regulator also amounted to misconduct in that such failure brought discredit to herself, ACCA and the accountancy profession.

136. The Committee found allegation 5(a) proved.

### **Allegation 5(b)**

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

### **SANCTION AND REASONS**

138. 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 Miss Li and Mr Ross. It had also considered legal advice from the Legal Adviser, which it accepted.

139. The Committee considered the available sanctions in increasing order of severity having decided that it was not appropriate to conclude the case with no order.

140. The Committee was mindful of the fact that its role was not to be punitive and that the purpose of any sanction was to protect members of the public, maintain public confidence in the profession and in ACCA, and to declare and uphold proper standards of conduct and performance.

141. The Committee considered whether any mitigating or aggravating factors featured in this case.

142. The Committee had not been made aware of any previous findings against Miss Li. Miss Li had also belatedly engaged with ACCA in relation to these proceedings, providing a response to the allegations and attending to give evidence to the Committee. There was no evidence of any other mitigating factors in this case, nor had it received any references or testimonials.

143. As for aggravating features, on the basis of the Committee's findings, it had been established that Miss Li's behaviour had been dishonest. Her actions had led to her regulator being deceived.
144. The Committee noted that, whilst it was her perfect right to do so, she had denied all allegations. The allegations having been found proved, Miss Li had shown no evidence of insight or recognition of the seriousness of the Committee's findings. Whilst Miss Li had indicated that she respected the Committee's decision, she had not shown any contrition for the Committee's findings of misconduct. The Committee was also concerned that Miss Li's dishonest conduct was to enable her to derive a personal benefit.
145. In her submissions, Miss Li relied on the difficulties she faced in applying for membership, taking account of the circumstances in which she found herself. However, whilst recognising the potential difficulties, the Committee did not find that this excused her conduct in any way. 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.
146. There was also a risk that Miss Li would have gained qualification as an accountant without the necessary competence or experience. In this way, she could have caused harm or had an adverse impact on members of the public.
147. When ACCA then corresponded with her in the course of its investigation, Miss Li failed over a period of time to cooperate with her regulator by failing to respond to correspondence regarding a very serious set of allegations.
148. The Committee concluded that neither an admonishment nor a reprimand would adequately reflect the seriousness of the Committee's findings.
149. The Committee then considered whether a severe reprimand would be an appropriate sanction. Again, taking account of the seriousness of its findings,

the Committee did not consider that a severe reprimand would be sufficient or proportionate.

150. Miss Li had been found to have acted dishonestly in her conduct. The Committee was also concerned that, based on its findings, the objective of her dishonest conduct was to gain an unfair advantage over those who had approached their practical training in an honest and compliant way. Due to the lack of legitimate evidence regarding her training, she had become a member when she may not have been competent to hold such a position. Therefore, this was conduct on Miss Li's part which had led to her achieving a level of success to which she was not entitled and which was not merited. In this way, as stated, she presented a risk to the accountancy profession and the public.

151. In the Committee's judgement, Miss Li's overall conduct was fundamentally incompatible with being a member of ACCA and risked undermining the integrity of ACCA membership.

152. The Committee had considered whether there were any reasons which were so exceptional or remarkable that it would not be necessary to exclude Miss Li as a member of ACCA but could find none.

153. The Committee concluded that the only appropriate, proportionate, and sufficient sanction was to order that Miss Li shall be excluded from membership of ACCA. Having reached this decision, the Committee did not consider it was either necessary or proportionate to impose a fine in addition to its decision to exclude Miss Li from membership.

## **COSTS AND REASONS**

154. The Committee had been provided with a simple cost schedule (page 1) and a detailed cost schedule (pages 1 and 2). It had taken account of the document entitled Guidance for Costs Orders 2023.

155. The Committee concluded that ACCA was entitled to be awarded costs against Miss Li, all allegations, including dishonesty, having been found proved. The amount of costs for which ACCA applied was £9,258.75. Taking account of the complexity and length of the case, the Committee did not consider that the costs incurred were unreasonable.
156. Miss Li had provided the Committee with details of her means. The information she had provided, both in the form attached to her email of 23 April 2024 and when providing the Committee today with details of her current finances, had not been challenged by Mr Ross.
157. Having listened to her submissions, she said that, [PRIVATE]. Miss Li [PRIVATE]. [PRIVATE]. Miss Li confirmed that [PRIVATE]. The Committee was satisfied that Miss Li's current financial circumstances, [PRIVATE].
158. In all the circumstances, the Committee exercised its discretion when determining the amount Miss Li should be expected to pay. Taking account of what had been said by Miss Li and Mr Ross, the Committee considered that it was reasonable and proportionate to award ACCA costs in the reduced amount of £1,000.

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

159. Taking into account all the circumstances, and on the application of Mr Ross, the Committee decided that it was necessary, and in the interests of the public, for this order to take immediate effect.
160. In reaching its decision, the Committee took account of the fact that Miss Li had obtained her ACCA membership by dishonest means. The Committee was concerned that there was a risk that Miss Li may continue to hold herself out as a member of ACCA. The Committee had noted [PRIVATE].
161. Therefore, as stated, the Committee concluded that it was in the interests of the public for the order to take immediate effect.



**Mr Martin Winter  
Chair  
10 June 2024**