

HEARING

DISCIPLINARY COMMITTEE OF THE ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS

REASONS FOR DECISION

In the matter of: Miss Xiaoting Li

Heard on: Friday, 07 March 2025

Location: Remotely via Microsoft Teams

Committee: Mr Andrew Popat CBE (Chair)
Ms Andrea White (Accountant)
Ms Alison Sansome (Lay)

Legal Adviser: Miss Helen Gower

Persons present

and capacity: Mr Mazharul Mustafa (ACCA Case Presenter)
Ms Anna Packowska (Hearings Officer)

Summary Allegation 1, 2, 3(a), (b), (c), (d) and 5 proved
Exclusion from membership with immediate effect

Costs: £4,000

INTRODUCTION

1. The Disciplinary Committee (“the Committee”) convened to consider allegations against Miss Xiaoting Li (“Miss Li”). Miss Li was not present and was not represented. ACCA was represented by Mr Mustafa. The papers before the Committee consisted of a main bundle numbered 1-255, an “additional” bundle numbered 1-114, a separate bundle numbered 1-96, a service bundle numbered 1-16, and a two-page memorandum and agenda.

PRELIMINARY MATTERS

SERVICE OF PAPERS

2. The Committee first considered whether the appropriate documents had been served in accordance with the Complaints and Disciplinary Regulations ('the Regulations'). The Committee took into account the submissions made by Mr Mustafa on behalf of ACCA and it also took into account the advice of the Legal Adviser.
3. The service bundle included the Notice of Hearing dated 7 February 2025, thereby satisfying the 28-day notice requirement, which had been sent to Miss Li's email address as it appears on the ACCA register. The Notice included correct details about the time, date, and remote venue of the hearing, it also notified Miss Li of the option to attend the hearing by telephone or video-link, and to be represented if she wished. Additionally, the Notice provided details about applying for an adjournment and the Committee's power to proceed in her absence if considered appropriate. A delivery receipt dated 7 February 2025, confirming delivery of the Notice, was also provided.
4. The Committee also had sight of two emails dated 21 February 2025 and 6 March 2025 from ACCA's hearing officer to Miss Li. The e-mails followed up the Notice of Hearing and invited Miss Li to advise whether she would be attending the hearing. The service bundle also included a telephone attendance note dated 6 March 2025 made by ACCA's hearings officer. The note records that the hearings officer made two attempts to call Miss Li and that there was no opportunity to leave a message.
5. The Committee, having considered the relevant documents, was satisfied that Notice had been served in compliance with the Regulations.

PROCEEDING IN ABSENCE

6. Having concluded that proper notice had been served in accordance with the Regulations, the Committee went on to consider whether to exercise its discretion to proceed in the absence of Miss Li. The Committee took into

account that Miss Li had not responded to the Notice of Hearing or to the emails from ACCA's Hearings Officer. It noted that on 31 October 2024 Miss Li completed a case management form in which she stated that she did not intend to attend the hearing or be represented and was content for the Committee to proceed with the hearing in her absence.

7. The Committee was of the view that Miss Li had voluntarily absented herself and that her attendance was unlikely to be secured by an adjournment. The Committee carefully balanced Miss Li's interests against the wider public interest and concluded that it was in the interests of justice that the matter proceed expeditiously notwithstanding the absence of Miss Li.

ALLEGATIONS

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

1. On or about 19 January 2022 in relation to her ACCA Practical Experience Record caused or permitted a third party
 - a) to register Person A as her practical experience supervisor and further,
 - b) to approve in Person A's name 43 months of qualifying experience and further,
 - c) to approve in Person A's name, her nine performance objectives.
2. Whether by herself or through a third party applied for membership to ACCA on or about 20 January 2022 and in doing so purported to confirm in relation to her ACCA Practical Experience training record 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 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. Miss Li's conduct in respect of the matters described above was:

- a) In relation to Allegation 1a), dishonest, in that Miss Li knew her supervisor, Person A, had been falsely registered as her practical experience supervisor.
- b) In relation to Allegation 1b), dishonest in that Miss Li knew her supervisor, Person A, had not approved her qualifying experience and further that her qualifying experience was less than 43 months.
- c) In relation to Allegation 1c), dishonest in that Miss Li knew Person A had not approved her nine performance objectives.
- d) In relation to Allegation 2, dishonest in that Miss Li knew she had not achieved all or any of the performance objectives as described 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 to Allegations 1 and 2 above, such conduct was reckless in that:

- a) Miss Li failed to ensure that her Practical Experience training Record was approved in all material respects by her practical experience supervisor.
- b) Miss Li 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. By reason of her conduct, Miss Li is guilty of misconduct pursuant to ACCA bye-law 8(a)(i) in respect of any or all of the matters set out at 1 to 4 above.

BRIEF BACKGROUND

8. Miss Li was admitted as an affiliate member of ACCA on 18 October 2021. She was admitted as a full member on 27 January 2022 following an application for membership submitted on or about 20 January 2022.
9. Part of the requirement of becoming an ACCA member, in addition to passing the relevant exams, is the completion of practical experience. ACCA's practical experience requirement ('PER') is a key component of the ACCA qualification.
10. ACCA's PER is designed to develop the skills needed to become a professionally qualified accountant. There are two components to the PER:
 - Completion of nine performance objectives ('POs'). Each PO includes a statement of 200 to 500 words, in which the trainee explains how they have achieved the objective. They should, therefore, be unique to that trainee. The PO must be signed off by a practical experience supervisor ('PES'), who must be a qualified accountant recognised by law in the relevant country and/or a member of an IFAC body. They must have knowledge of the trainee's work in order to act as a PES. The PES is typically the trainee's line manager, though if their line manager is not suitably qualified, they can nominate an external supervisor provided the external supervisor has sufficient connection with the trainee's place of work.
 - Completion of 36 months practical experience in accounting or finance related roles, verified by a PES. The period of practical experience may be verified by a non-IFAC qualified line manager.
11. Those undertaking the PER are known as trainees. The trainee's progress towards the PER is recorded online in their PER Training Record. The Training Record is completed using an online tool called 'MyExperience' which is accessed via the student's MyACCA portal.

12. In support of her application for membership, Miss Li submitted a PER Training Record to ACCA on or around 19 January 2022. This record stated that Miss Li obtained her experience of 43 months between [PRIVATE] in the role of [PRIVATE] employed by Company B. The Supervisor details for Miss Li appear to confirm that Person A registered on 19 January 2022 as her 'IFAC qualified line manager'. Following a request from Miss Li, Person A appeared to approve Miss Li's time/experience and all her POs on 19 January 2022.
13. Miss Li's application for membership was granted on 27 January 2022.
14. During 2023 it came to the attention of ACCA's Professional Development Team that the practical experience supervisors registered to 91 ACCA trainees, shared one of three email addresses despite the names of such supervisors being different. It would not be expected for a supervisor to share an email address with any other supervisor or person.
15. Further analysis of this cohort of 91 trainees revealed the following:
 - Most of these trainees were registered with ACCA as resident in China.
 - Although each statement supporting a PO should be a description of a trainee's experience and therefore unique, many of such statements within this cohort of 91 trainees were the same.
 - Of these 91 trainees, the earliest date a supervisor with one of these three emails addresses is recorded as approving a trainee's PER training record was August 2021 with the latest date being March 2023.
16. A review was carried out by ACCA's Professional Development Team. It noted that Person A registered with one of the three common email addresses shared amongst this cohort of 91 cases. The registration details for Person A included what purports to be Person A's CICPA membership card. The membership card has been uploaded by many supervisors who share one of the three common email addresses and is not the same as the membership number provided by Person A.

17. The analysis of Miss Li's POs showed that none of her PO statements were first in time and all nine of her PO statements were identical or significantly similar to the PO statements contained in the PER's of other ACCA trainees in the cohort.
18. The matter was referred to ACCA's Investigations Team. A member of that team sent an email to Miss Li's registered email address on 22 March 2024. Attached to the email was a letter which set out the complaint and requested that Miss Li respond to a number of questions.
19. No response was received from Miss Li by the deadline of 5 April 2024 and further encrypted emails were sent to Miss Li on 8 April 2024 and 23 April 2024. On 25 April 2024, ACCA telephoned Miss Li and she admitted not having checked her emails, but she would do so after the call.
20. On 27 April 2024 Miss Li responded stating:

"...I Have completely undertood the meaning of the complaint. As for the fact that my PER is similar with other ACCA members, the reason might be that I received some help from Internet. When I prepared my PER, my direct manager refused finishing confirmation for me, because at that time we were busy and it is troublesome for Chinense people to register an English accountant and finishing English forms. To keep good relationship with [them], I did not push [them] to help me and received the help of people on the Internet who said [they] can finish such forms. I offered all my information and documents to [them] and all things have been done. Perhaps, [they] also helps other people in the same way. I'm shamed at that my performance is not completely in accordance with ACCA's PER guide, and I'd like to be disposed as related regulation..." [sic]

21. ACCA sent a further email to Miss Li on 29 April 2024 requesting that she answer each numbered question. On 30 April 2024 Miss Li sent a response which included the following:

“...In fact, I just worked in [Company B] for [PRIVATE] and I have leaved the company for a long time, and I attended graduate school in the following years....

I have leaved from [Company B] for a long time, I can not find [Person A] easily. I have to admit that the confirmation in my PER training record was not finished by [them]. At that time I met a friend in an ACCA exam experience exchange community, [they] offered some help for me to finish all the confirmation. Perhaps, [they] also helped other people like me for many times.

...

When I worked in [Company B], my daily work was dealing cash deposit and withdrawal work, and each time I use the system of bank, [Person A] would check all my process and after entering [their] password a deal can completely be finished. However, my PER was not really finished by [them], and I have lost [their] contact information now.” [sic]

When asked why all her PO statements were the same as others Miss Li replied:

“Beacust I received help fron friend on the internet, [they] offered some help for me to finish all the confirmation. Perhaps, [they] also helped other people like me for many times.” [sic]

When asked whether she accepted she was not supervised by Person A in accordance with ACCA’s guide Miss Li stated:

“Yer, I’m ashamed at that my performance was not completely in accordance with ACCA guide.” [sic]

22. Miss Li replied to further questions from ACCA in an email dated 27 June 2024 confirming that:

- She was employed by Company B from [PRIVATE] She did not know why her PER training record stated that she was employed at Company B for 43 months from [PRIVATE] She had provided the third party with “*real information*” and “[*p*]erhaps, he exaggerated my experience”.

- She had provided her ACCA login and password to the third party.
 - She believed that a third party completed her PER training record.
 - She obtained the name of the third party from a Wechat group.
 - She did not pay a fee to the third party, but was required to write comments in the Wechat group.
 - She understood that her performance was not correct and may be punished.
23. On 31 October 2024 Miss Li completed a case management form in which she admitted the entirety of Allegations 1, 2 and 3.

DECISION ON FACTS AND REASONS

24. The Committee accepted the advice of the Legal Assessor and considered the submissions of Mr Mustafa. The Committee noted the content of Miss Li's case management form but considered that it was insufficient for the Committee to be confident that she wished to formally make admissions. The Committee considered the content of the case management form together with Miss Li's communications with ACCA as part of the evidence.
25. The Committee considered the documents before it, the submissions of Mr Mustafa on behalf of ACCA and the advice of the Legal Adviser. The Committee bore in mind that the burden of proving an allegation rests on ACCA and the standard to be applied is proof on the balance of probabilities.

Allegation 1

26. The Committee found Allegation 1(a) proved by the documentary evidence together with Miss Li's admission.
27. The Committee reviewed Miss Li's PER Training Record together with her responses to ACCA. In the supervisor section of Miss Li's 'MyExperience' Person A was described as Miss Li's "IFAC qualified line manager" and was

therefore her practical experience supervisor. In her responses to ACCA Miss Li stated that the information in the PER training record was completed by a third party using her log-in details and that the third party was responsible for registering Person A as her practical experience supervisor.

28. This information recorded in Miss Li's PER training record was false because Person A had not supervised Miss Li in accordance with ACCA's requirements and this is admitted by Miss Li.
29. The Committee found Allegation 1(b) proved by the documentary evidence together with Miss Li's admission. Miss Li's PER training record records that Person A approved Miss Li's time/experience of 43 months. Miss Li has explained within her responses to ACCA that this information in the PER training record was completed by a third party and that the third party may have exaggerated her experience.
30. This information recorded in Miss Li's PER training record was false because Miss Li's experience at Company B was only [PRIVATE] and Person A had not approved her experience.
31. The Committee found Allegation 1(c) proved by the documentary evidence together with Miss Li's admission. Miss Li's PER training record recorded that Person A had approved all Miss Li's nine POs. Again, Miss Li has provided information that this information was completed by a third party on her behalf.
32. This information within the PER training record was false because Person A had not approved the nine POs. Miss Li has explained that the third party was responsible for the approval of the POs.

Allegation 2

33. The Committee found Allegation 2 proved by the documentary evidence together with Miss Li's admission.

34. Miss Li's PER training record included statements in respect of POs 1, 2, 3, 4, 5, 6, 7, 9, and 13. Miss Li has informed ACCA that this information was provided by a third party on her behalf.
35. Miss Li's PO statements have been compared to those of the other trainees within the cohort. None of them are first in time and their content was strikingly similar to the wording of the PO statements of other individuals within the cohort of 91 trainees. Each trainee's practical experience should be unique to them and the possibility of recording exactly or nearly exactly the same as another trainee is not plausible. In addition, the purported PO statements do not align with Miss Li's role as a [PRIVATE]; they describe activities that would be carried out by an auditor.
36. Miss Li has admitted that the nine PO statements do not describe her own experience, and the Committee concluded that the PO statements had been copied from those of other trainees, either by Miss Li or by a third party acting on her behalf.

Allegation 3

37. The Committee noted that Miss Li admitted dishonesty within her completed case management form.
38. The Committee considered the allegation of dishonesty in light of the test set out in the case of *Ivey v Genting Casinos (UK) Ltd t/a Crockfords* [2017] UKSC 67.
39. The Committee was satisfied that Miss Li must have known what ACCA's training requirements are. They are widely published, and relevant webinars are available in her native tongue of [PRIVATE].
40. The Committee was also satisfied that the information in Miss Li's PER training record with Person A's details was provided by Miss Li to enable a third party to complete her application for membership to ACCA. Miss Li knew that Person A had not supervised her in accordance with ACCA's requirements and knew that Person A had not registered as her practical experience supervisor. Miss

Li has admitted in the various responses she provided to ACCA that Person A's registration as her supervisor was false.

41. Miss Li knew that Person A had not approved her qualifying experience and that her qualifying experience was less than 43 months. Miss Li had instructed a third party to act on her behalf to complete her PER training record and she knew that Person A had no involvement. Miss Li also knew that Person A had not approved her nine performance objectives. Miss Li admits these matters within her responses to ACCA.
42. The Committee inferred that Miss Li's actions were intended to deceive ACCA into believing that she had been appropriately supervised. There is no doubt that this would be regarded as dishonest by ordinary and honest people. Having found that both limbs of the test in *Ivey v Genting Casinos* were satisfied, the Committee therefore found Allegation 3(a), (b) and (c) proved.
43. The Committee was also satisfied that Miss Li knew that she had not achieved any of the nine performance objectives as described in the performance objective statements within her PER training record. She knew that the statements were completed by the third party, were not in her own words and that she had not completed the required PER.
44. The Committee inferred that Miss Li's actions were intended to deceive ACCA into believing that the PO statements described her own experience. Again, there is no doubt that this would be regarded as dishonest by ordinary and honest people. The Committee therefore found Allegation 3(d) proved.
45. Having found Allegation 3(a)-(d) proved, it was not necessary for the Committee to consider Allegations 3(e) or 4 which were alleged in the alternative.

Allegation 5

46. The Committee accepted the advice of the Legal Adviser. It had regard to the partial definition of misconduct in Regulation 8(c), together with the guidance in

the cases of *Roylance v GMC* [2000] 1 AC 311 and *Nandi v GMC* [2004] EWHC 2317.

47. Having found the facts proved in Allegations 1, 2 and 3(a)-(d) the Committee then considered whether they amounted to misconduct. The Committee considered that Miss Li had sought the assistance of a third party to complete her PER training record which provided false information about Person A, her time/experience and provided false PO statements to allow her to qualify as a member of ACCA. This dishonest behaviour demonstrated a complete disregard for ACCA's membership process and allowed Miss Li to become a member of ACCA when she was not qualified to be so. Such behaviour seriously undermines the integrity of the membership process and the standing of ACCA. It brings discredit upon Miss Li, the profession and ACCA. The Committee considered this behaviour to be very serious and the Committee was in no doubt that it amounted to misconduct.
48. The Committee therefore found that the matters set out in 1, 2, and 3(a)-(d) amounted to misconduct.

SANCTION AND REASONS

49. In reaching its decision on sanction, the Committee took into account the submissions made by Mr Mustafa. The Committee referred to the Guidance for Disciplinary Sanctions issued by ACCA and had in mind the fact that the purpose of sanctions was not to punish Miss Li, but to protect the public, maintain public confidence in the profession and maintain proper standards of conduct, and that any sanction must be proportionate. The Committee accepted the advice of the Legal Adviser.
50. When deciding on the appropriate sanction, the Committee carefully considered the aggravating and mitigating features in this case.
51. The Committee considered the misconduct involved the following aggravating features:

- A deliberate planned enterprise for personal benefit at the expense of the public and the profession;
 - No evidence of insight into the seriousness of the allegation and its impact on the reputation of the profession;
 - Dishonesty gaining membership of ACCA by false pretences and continuing to hold herself out as a member of ACCA over a period of time;
 - Potential risk of an adverse impact on employers and/or clients.
52. The Committee considered the misconduct involved the following mitigating features:
- The absence of any previous disciplinary history with ACCA;
 - Miss Li's admissions and recognition that what she had done was wrong;
 - Miss Li's co-operation with ACCA's investigation (the Committee gave little weight to this factor because Miss Li was required to co-operate with ACCA).
53. The Committee did not think it appropriate, or in the public interest, to take no further action or order an admonishment in a case where a member had disregarded the membership requirements and acted dishonestly in connection with her PER.
54. The Committee then considered whether to reprimand Miss Li. 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 conduct found proved. The Committee did not consider Miss Li's misconduct to be of a minor nature and she had shown no insight into her dishonest behaviour. ACCA's Guidance indicates that dishonest behaviour is considered to be very serious. The Committee concluded that a reprimand would not adequately reflect the seriousness of the misconduct in this case.

55. The Committee then considered whether a severe reprimand would adequately reflect the seriousness of the case. The guidance indicates that a severe reprimand 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 Committee considered that none of these criteria were met and that a severe reprimand would not adequately reflect the seriousness of Miss Li's behaviour.
56. The Committee considered the ACCA guidance on the approach to be taken in cases of dishonesty which is said to be regarded as a particularly serious matter because it undermines trust and confidence in the profession. 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 member to do the right thing in difficult circumstances.
57. The Committee considered that Miss Li's behaviour involved a number of features referenced in ACCA's guidance in relation to exclusion. In particular the conduct involved: dishonesty; abuse of the trust placed in Miss Li by ACCA; Miss Li lacked understanding and insight into the seriousness of the acts and their consequences; the potential for an adverse impact on the public; conduct over a period of time; and serious departure from professional standards. The Committee also considered that there was nothing exceptional in Miss Li's case that would warrant a lesser sanction than exclusion from membership. Miss Li's dishonesty, coupled with the absence of any evidence demonstrating Miss Li's understanding of the seriousness of her behaviour and any steps taken to remediate her conduct are fundamentally incompatible with her continued membership. The Committee concluded that the only appropriate and proportionate sanction was exclusion.

COSTS AND REASONS

58. ACCA applied for costs in the sum of £6,350.50. The application was supported by a schedule providing a breakdown of the costs incurred by ACCA in connection with the hearing. A simplified breakdown was also provided.
59. The Committee was satisfied that ACCA was entitled to claim its costs. The Committee considered that the costs of ACCA's investigation were reasonably and proportionately incurred. The Committee considered it appropriate to make a deduction of £600 to the amount claimed having regard to the reduced hearing length.
60. Miss Li has submitted documents relating to her financial position, which the Committee has considered. The financial details considered were as follows. [PRIVATE].
61. Having carefully considered the evidence provided by Miss Li, ACCA's Cost Guidance, and heard from the Legal Adviser, the Committee decided to reduce the costs to £4,000. [PRIVATE] The Committee considered that there was sufficient evidence to indicate that Miss Li [PRIVATE] and it was therefore appropriate to exercise its discretion to make a reduction to the costs that Miss Li would be required to pay.

EFFECTIVE DATE OF THE ORDER

62. The Committee determined that it would be in the public interest for the order to take immediate effect in light of the fact that Miss Li is potentially able to practise as an ACCA qualified accountant having gained that qualification dishonestly. Therefore, pursuant to Regulation 20(1)(b) the order excluding Miss Li from membership will take effect immediately.

Mr Andrew Popat CBE
Chair
07 March 2025