

The background of the entire page is a photograph showing a pair of dark-skinned hands planting a small basil plant into dark, rich soil. The hands are positioned on either side of the plant, with fingers gently pressing the soil around its base. The basil plant has vibrant green, rounded leaves. The overall tone of the image is natural and focused on growth and care.

report on

regulation 2025.

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About ACCA

We are ACCA (the Association of Chartered Certified Accountants), the only truly global professional accountancy body.

Since we were founded in 1904, we've been breaking down barriers to the accountancy profession. Today we proudly support a diverse community of over **257,900** members and **530,100** future members in **180** countries.

We're redefining accountancy. Our cutting-edge qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to lead and drive sustainable value in organisations and economies worldwide.

Guided by our purpose and values, we're leading the accountancy profession for a changed world. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that focuses on people, planet and prosperity to create value for all.

Find out more at accaglobal.com

Introduction

This Report on Regulation demonstrates how ACCA sets out to achieve its purpose through a robust regulatory framework.

With many professional accountants working in positions of strategic or functional leadership for businesses and governments worldwide, accountants and their professional bodies have a central role in protecting the public interest and delivering public value.

ACCA supports its members in delivering public value not only by satisfying the needs of individual clients or employers, but also by considering the wider impact of their professional activities on society as a whole. The public at large, through access to high quality accountants, are the ultimate beneficiaries of everything ACCA does to promote ethics and professionalism.

Regulation is integral to ACCA's brand promise of global quality. ACCA's reputation, in turn, enhances the value of membership. Public value is, therefore, embedded in ACCA's regulatory system.

Global standards, regulation and monitoring

ACCA regulates all of its members, wherever they practise in the world, to check that they meet, and adhere to, the high standards which it sets. All members are required to:

- pass rigorous examinations, set globally, and to obtain practical experience to qualify
- maintain their competence through mandatory continuing professional development
- adhere to the ACCA Code of Ethics and Conduct and to accept that appropriate disciplinary action may follow any breaches.

ACCA promotes compliance through a combination of measures, including quality assurance of ACCA examinations; direct monitoring of practice in the UK and Ireland; working with other accountancy regulators across the world to identify and respond to poor practice; and investigating reports suggesting poor practice.

In addition, those members of ACCA who are in public practice (ie in firms of accountants providing services to clients) must hold practising certificates/licences from either ACCA or, in most instances, a national regulatory authority, and most are subject to varying additional requirements and the monitoring of those requirements, as applicable in each jurisdiction. ACCA does not seek to duplicate regulation of members in public practice who are already subject to appropriate regulation by a national regulatory authority outside the UK and Ireland.

Regulatory functions of ACCA

This report also describes and reflects on ACCA's regulatory activities during 2024 and looks forward to its plans for 2025. ACCA's regulatory activities comprise:

- **Professional qualifications** – managing the ongoing relevance, integrity, rigour, recognition and global standards of ACCA's qualifications and examinations
- **Continuing professional development** – monitoring compliance with the continuing professional development (CPD) requirements
- **Licensing** – issuing certificates and licences to members involved in certain types of work, including audit work, so long as they meet ACCA's standards for authorisation, including relevant qualifications and experience
- **Monitoring** – monitoring compliance with standards, rules and regulations and providing monitoring services to other regulators
- **Investigation and discipline** – receiving and assessing complaints, identifying those that are suitable for conciliation, investigating alleged misconduct by members, future members and firms, and taking appropriate cases to independent Committees
- **Regulatory governance** – developing the *ACCA Rulebook* and professional and ethical standards.

ACCA's regulatory structures and activities are kept under review, in order to respond effectively to developments in society and the regulatory environment. ACCA's qualifications, ethical standards, licensing, continuing professional development, monitoring and disciplinary processes are key to reassuring the public and regulators that high standards are being promoted and enforced.

Independent regulatory oversight

The Regulatory Board provides robust and independent oversight of ACCA's regulatory and disciplinary framework. The Board also has responsibility for overseeing ACCA examinations and other matters in relation to the integrity of the qualifications process. The majority of the Board's members are non-accountants. Full details of the Board's regulatory policies and activities, including minutes of Board meetings, are available at accaglobal.com

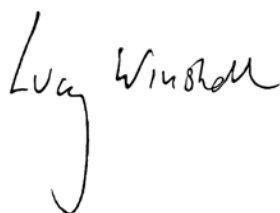
Regulatory Board Chair statement

The Regulatory Board is tasked with providing general oversight of ACCA's regulatory arrangements and the Board is supported by the Appointments, Qualifications and Standards Boards in its work. The Board is cognisant that it plays a key role in both safeguarding the public interest and delivering public value. The Board, therefore, recognises the importance of its role in overseeing ACCA's regulatory activities and to do so in the public interest. To support these public interest oversight arrangements the Boards have significant lay representation which remains a key differentiator and genuine strength to demonstrate that impartiality and public interest are at the fore.

As in prior years, the ongoing geopolitical factors in various parts of the world continue to provide uncertainty with a consequential impact on the regulatory landscape. Given this environment, the Board is mindful of its significant role in ensuring ACCA's regulatory arrangements remain robust, transparent and proportionate and in the public interest.

This year, the Board has paid particular attention to the ongoing proposals regarding UK audit and corporate governance reform, scrutinising changes arising due to implementation of sustainability assurance reporting and evaluating the implementation of ACCA's Digital Transformation programme where those changes could impact ACCA's regulatory arrangements to ensure they remain robust.

I and the Board remain committed to play our part in ensuring ACCA's regulatory arrangements are robust, transparent and proportionate to meet the challenges that lie ahead.



Lucy Winskell Chair, Regulatory Board

Executive Director statement

ACCA's world is changing at a fast pace but it has always thrived by embracing challenges and turning them into possibilities. ACCA's purpose states that we are a force for public good. We lead the global accountancy profession by creating opportunity. Our purpose and our values of inclusion, integrity and innovation reinforce everything we stand for: who we are, how we act, and why we exist in today's world. Strong and effective governance is the foundation on which our public value remit is built.

We support our members and future members to have the skills needed to succeed in their roles. The ACCA Qualification and our ongoing educational offerings continue to evolve to ensure that we meet all the capabilities expected by regulators and employers, both now and in the future. We set the highest ethical standards for our members and future members and will act when breaches are identified.

A key focus of our activity in 2024 has been on remediating performance against key performance indicators and the progress being made is positive. This will continue to be a focus going forwards, as we adopt a continuous improvement mindset when discharging our regulatory activities to ensure that we meet our statutory responsibilities and protect the public.

ACCA's global nature puts it in a strong position to monitor the external environment and understand marketplace and stakeholder needs in 2025, analysing how the drivers of change impacting its world are shifting and changing. ACCA will continue to engage with the Board and regulators should challenges arise from regulatory issues and developments requiring changes to its regulatory activities.

I look forward to continuing to work with the Regulatory Board to ensure that we meet the challenges and opportunities presented in 2025 and beyond.



Maggie McGhee Executive Director, Strategy and Governance

ACCA regulation in numbers 2024

253,868

members

453,319

students

609,001

examinations taken

12,810

practising
certificate
holders

1,310

audit firms in UK
and Ireland

468

desktop rule
compliance
reviews

176

audit monitoring
reviews in UK
and Ireland

282

AML compliance
reviews in UK
and Ireland

3,158

approved training
offices in UK
and Ireland

5,433

CPD records
reviewed globally

7,941

global Approved
Employers

392

disciplinary and
regulatory hearings

ACCA Regulatory Board

The Regulatory Board's public interest role sits at the heart of ACCA's oversight structure. The Board provides oversight over all of ACCA's public interest functions – setting qualifications and assuring their delivery, setting professional standards, and maintaining the licensing and disciplinary system.

The Board supports ACCA in discharging its public interest responsibilities. It comprises an independent lay (ie non accountant) Chair, five lay members and two Council members. The overarching remit of the Board is to provide independent oversight of ACCA's regulatory and disciplinary activities, and to report to ACCA's Council on the fairness, impartiality and integrity of those activities. This includes oversight of ACCA's regulatory and disciplinary committees and of ACCA examinations and other matters relating to the integrity of the qualifications process.

To an extent, the Board provides oversight of these activities through its three sub-Boards. Each sub-Board has a clear programme of work, directed at strengthening the public interest elements of ACCA's activities. Key responsibilities of the sub-Boards, including particular highlights of the work undertaken during the year are:

- **Appointments Board** – responsible for the appointment, assessment and removal of panel members (including chair, lay and accountant committee members, disciplinary assessors, regulatory assessors and legal advisers), who are required for a robust disciplinary and regulatory process.

Key highlights include completing a sourcing exercise for five new legal advisers during the year. The Board continued to undertake quality assurance of services provided by the independent panel members at various stages of the ACCA disciplinary processes. It also completed an annual review of its governance documents to ensure they remain fit for purpose. Finally, the Board continued to address performance issues and engage with panel members on best practice.

- **Qualifications Board** – responsible for general oversight of ACCA's education and learning framework and examination arrangements. This includes ratification of the examination results and other matters relating to the integrity of the qualifications process.

Key highlights include continuing to assure the quality of the examinations with expert advice and the review of a broad data set to monitor long-term pass rate trends. The Board welcomed the introduction of a Qualifications Integrity Oversight group, which has provided assurance that there is a strong focus on the integrity of the overall process. During the year, the Board focused on ensuring that students are best prepared for their assessments. It continued to oversee the quality and relevance of ACCA's CPD framework and received updates on the future of learning and assessment at ACCA.

- **Standards Board** – responsible for ensuring the *ACCA Rulebook* is compliant with ACCA's statutory obligations, Privy Council requirements and rule change decisions by Council, by providing the detailed scrutiny and due diligence to the proposed changes to ACCA's rules, regulations and the Code of Ethics and Conduct.

Key highlights include undertaking detailed work on necessary amendments to the *ACCA Rulebook* and continuing the Board's work on promoting standards. In particular, the Board considered changes to reflect the implementation of the assurance of sustainability reporting in the Republic of Ireland and to create a new Appendix for the Republic of Ireland Sustainability Assurance Regulations. It also considered changes to the Global Practising Regulations to reflect the decoupling of the Audit Qualification from the Practising Certificate.

Minutes of Regulatory Board and sub-Board meetings are published at accaglobal.com.

Regulatory Board activities in 2024

Board ways of working

The Board undertook a review of its effectiveness at the end of 2024. It discussed the key outcomes of the effectiveness review at its meeting in February 2025. Examples include undertaking more horizon scanning work and linking this to risk and further improvements to the papers that the Board receives at its meetings. These will enable the Board to work more effectively and efficiently in carrying out its public interest remit.

In 2024, the Chair of the Board continued her programme of attending a meeting of each of the sub-Boards to observe and provide an overview of the work of the Regulatory Board. This supports alignment across the Public Interest Oversight Boards (PIOBs) by further enhancing the relationship between the Regulatory Board and sub-Boards and providing a continued focus on their individual terms of reference. From a personal perspective, it provided the Chair with a valuable opportunity to meet and engage with new and existing sub-Board members.

There is effective collaboration between the Board and the Executive team who ensure that any emerging issues are brought to the Board's attention at an early stage. Balancing a focus on priority matters to ACCA with other updates and briefings is a challenge and we continue to work with the Executive team to achieve an appropriate mix of strategy, risk assurance and performance oversight.

Future regulatory landscape

During the year, the Board considered a number of broad presentations, including artificial intelligence (AI) and the impact on the profession, the changing dynamics for accounting practice in the UK market, ACCA's global monitoring activities and ACCA's Innovation and Learning Assessment programme. The Board also received a presentation on the future Strategy, an update on employer perceptions as ACCA enters its new strategy as well as ACCA's reflections on its Strategy to 2025.

Throughout the year, the Board considered regulatory developments and, in particular, the UK Government's proposals to strengthen the UK's audit and corporate governance framework. The FRC is continuing with the change activities to enable it to transition into the Audit, Reporting and Governance Authority (ARGA), in the future. These include the implementation of a new supervisory approach to the monitoring of accountancy bodies which intends to take a more holistic approach, looking at broader elements such as sustainability and risk. In 2025, the Board will continue to focus its attention on the implementation of changes in regulation as the draft Audit and Corporate Governance Reform Bill is expected to be made available for comment in 2025.

Digital transformation

The first phase of the Digital Transformation (DT) programme impacted ACCA's regulatory activities and so was, understandably, an area of focus for the Board in 2024. The Board received regular updates on the delivery of DT (including testing and training) and its impact on resourcing and on ACCA's performance against regulatory target KPIs. The potential risks were discussed and the Board sought assurance from ACCA on the steps being taken to mitigate against these. Following the launch of the new Customer and Partner Platform, there have been a number of issues that have impacted internal users and members, for example difficulties with submitting certificate renewals. The Board has been informed of the issues and the steps being taken to resolve them. In 2025, the Board will continue to consider the impact of DT on stakeholders' experience and on Members in Practice satisfaction scores as the new platform embeds.

Regulatory target KPIs

The Board continued to critically assess regulatory performance data and the strategic context underpinning this data at each meeting, including feedback from regulators on ACCA's discharge of its statutory responsibilities. With a continuous improvement mindset, the Board is continually reviewing the presentation of this information to streamline and bring greater clarity to the data it receives. At the Board's request, ACCA is in the process of developing a new dashboard of the key regulatory and conduct metrics and we expect further improvements to the data reporting in 2025.

The Board remains concerned about the ongoing performance issues relating to ACCA's disciplinary and regulatory target KPIs and this occupied much of the Board's attention during 2024. The Board raised concerns about the resourcing challenges experienced in the disciplinary and regulatory teams and the impact that this had on ACCA's performance against regulatory target KPIs. These challenges were further impacted in 2024 by the DT programme where team members' time was prioritised to support DT. The Board received updates throughout 2024 on progress to address these challenges and is pleased to report that additional resource has been secured to support both ongoing regulatory activities and the impact of DT.

Risk

Risk remains an important area of consideration for the Board. The Board's Terms of Reference include an explicit reference to regulatory risk and matters being brought to the Board for consideration highlight any regulatory risk arising. An agenda item on risk is scheduled at the end of each meeting to allow Regulatory Board members to reflect upon the matters discussed during the meeting when considering risk. As mentioned earlier, the risks associated with DT and its impact on resourcing were discussed. At the Board's request the risk register was updated to include a specific risk on DT. The Board also challenged ACCA on a change in the control for the risk 'Handling of Disciplinary Processes' as the Board was concerned that the oversight element might be lost with the removal of the reference to PIOBs. ACCA reinstated the control following the Board's feedback. The Board will continue to monitor regulatory risks closely.

Sustainability

Sustainability was an area of focus for the Board in 2024. At its September 2024 meeting, the Board received an update on ACCA's approach to sustainability, which focused on a number of areas including ACCA's net zero objectives and the work that was taking place to support ACCA members in upskilling in this area, for example the introduction of the new Professional Diploma in Sustainability. The Board considered and approved changes to the *ACCA Rulebook* (including new Sustainability Assurance Regulations for the Republic of Ireland) to reflect the legislation transposing the Corporate Sustainability Reporting Directive (CSRD) in Ireland. ACCA received one Sustainability Assurance Service Provider (SASP) application in phase one of the CSRD implementation and so it was important for these regulations to be approved and implemented at the earliest opportunity. We are delighted that, following a rigorous assessment process, the SASP application has been approved. In 2025, we will monitor the progression of a future framework for sustainability reporting in the UK and in particular the implementation of UK sustainability reporting standards.

PCAQ decoupling

ACCA has undertaken extensive activity to decouple the audit qualification (AQ) from the practising certificate (PC). This became effective on 1 January 2025 and means that ACCA will award the PC and AQ separately and separate Responsible Individual (RI) status to first-time individuals. Although lead regulators have ultimate approval, the Board has played a key role in overseeing this activity. The Board considered and approved proposed changes to the Global Practising Regulations with the Standards Board carrying out the detailed review of the proposed changes. It has also approved changes to its Policy Statement and Regulatory Guidance and the creation of a new Guidance for Regulatory Orders – Applications for RI status for UK and Ireland and the Audit Qualification for Jersey, Guernsey and Dependencies and the Isle of Man.

Policy statements and regulatory guidance

One of the Board's Terms of Reference is to adopt policy statements in respect of non-operational regulatory and disciplinary matters as may arise from time to time. During 2024, the Board considered and approved several updates to its policy statements, and these are outlined below.

■ Policy statement and regulatory guidance

Further to the changes arising from the decoupling of the Audit Qualification from the Practising Certificate, the updates to the policy statement reflect the regulatory action that could be taken against a sustainability assurance provider following the launch of the Sustainability Assurance Regulations 2024, increasing the cost of an accelerated review and removing the requirement for a member to attend a practical audit course as part of any future audit registration.

■ Guideline for regulatory orders (GRO)

In addition to the updates arising from the decoupling of the Audit Qualification from the Practising Certificate, updates to the GRO relate to waivers in relation to Professional Indemnity Insurance requirements.

■ Policy statement on publication of disciplinary decisions

The updates simplify the Policy on the length of time decisions of ACCA's Regulatory and Disciplinary Committees remain on the website.

■ Guidance for disciplinary sanctions (GDS)

The updates to the GDS provide more detail and important background to anti-money laundering (AML) regulation to help facilitate broader understanding by Committees of the particular importance of dealing effectively with AML allegations.

Oversight regulators

At each meeting of the Board, ACCA provides an update of key interactions with the lead regulators, which allows the Board to assure itself that matters of concern highlighted by ACCA's lead regulators are being appropriately addressed to safeguard ACCA's statutory recognitions. We will continue to work with the oversight regulators to resolve any emerging issues.

Audit regulation in the UK and Ireland

ACCA is both a Recognised Supervisory Body (RSB) and Recognised Qualifying Body (RQB) for auditors in the UK and a Recognised Accountancy Body for auditors in Ireland.

The reforms of audit regulation as a result of the implementation of the EU Statutory Audit Directive and Regulation (EU ADR) in 2016 saw the FRC and the Irish Auditing and Accounting Supervisory Authority (IAASA) designated as the sole competent authority with ultimate responsibility for the performance and oversight of audit regulatory tasks in the UK and in Ireland respectively. The audit reforms fundamentally altered the relationship ACCA has with the FRC and IAASA in that they have powers to rescind/claim back delegated tasks and, more generally, to direct audit regulation (in the UK and in Ireland respectively). ACCA is continuing to work constructively with the FRC and IAASA within the regulatory arrangements for audit and identify opportunities for improvement. The Board continues to provide assurance to the oversight regulators about its role in safeguarding the public interest.

The FRC and IAASA, in their respective jurisdictions, are responsible for audit inspections and investigation and disciplinary matters related to public interest entities (PIEs), with all other (ie non-PIE) tasks being delegated to the professional bodies to the fullest extent possible permitted by the relevant legislation (but subject to oversight by the FRC and IAASA respectively).

FRC

The Executive and the Board have continued to develop the relationship with the Financial Reporting Council (FRC), ACCA's principal oversight regulator in the UK, and keep abreast of ongoing developments in the UK audit regulatory framework. The Chair attended a meeting with FRC where discussions were positive and in May 2024 the Director of Professional Oversight at the FRC returned to give a presentation to the Board on several areas including an overview of the Professional Body Supervision team and FRC's new supervisory approach. The Board welcomes the ongoing engagement with FRC, and we look forward to further constructive dialogue in 2025.

In April 2024, ACCA received FRC's final Private Report on its RQB/RSB supervision in 2023-24. FRC discussed this with the Board at its May 2024 meeting. The report contained one requirement in relation to the statutory audit cycle and five recommendations. The Board took a keen interest in FRC's requirement as this aligned with the Board's concerns regarding regulatory performance. ACCA submitted a plan to recover the six-year statutory cycle inspections, and this was shared with the Board at its December 2024 meeting. The FRC has since confirmed that the statutory audit cycle requirement is now closed.

FRC completed its RQB/RSB supervision in 2024-25 and the final report was received in March 2025. The report contains five new requirements in relation to CPD, Audit Registration, Audit Monitoring and Enforcement, and one new recommendation. Three prior year recommendations relating to CPD remain open and seven prior year requirements/recommendations have been closed, including the high priority requirement from 2023-24 relating to the statutory audit cycle. The Board has reviewed ACCA's Action Plan and will monitor progress to implement the agreed requirements and recommendations arising from the final report. To date, FRC is generally satisfied with the actions ACCA is taking to address concerns and progress the implementation of prior recommendations.

IAASA

The principal oversight regulator in Ireland is the Irish Auditing and Accounting Authority (IAASA). During 2024, ACCA carried out work to address the recommendations and findings arising from IAASA's 2023 review of Investigation and Discipline and, in December 2024, IAASA confirmed that all recommendations had been closed. IAASA conducted a further review of Investigation and Discipline in July 2024 and the final report was received in March 2025. The report contains five findings and eight other matters. The Board will monitor progress on the implementation of the agreed recommendations. At its meeting in May 2024, the Board reflected on the handling of ACCA's Direction Notice issued in 2023 and discussed the lessons learnt from the process. IAASA also holds regular review meetings with each regulatory function to keep informed of ACCA's regulatory activities.

Anti-money laundering in the UK and Ireland

ACCA is a supervisory authority for anti-money laundering (AML) in both the UK and Ireland, with responsibility for ensuring compliance with the relevant requirements of the firms it supervises in both jurisdictions.

OPBAS

The UK regulator for AML – OPBAS – carried out its third inspection visit in January 2023. The assessment findings highlighted some areas of improvement, and an action plan was created to address these. In June 2024, OPBAS confirmed that ACCA had met all the required actions from the supervisory assessment and that they are now closed, with the exception of an action relating to the implementation of digital transformation. In May 2024, OPBAS observed the performance data section of the Board meeting to see how AML data is discussed by the Board.

Audit regulation in South Africa

IRBA

South Africa's Independent Regulatory Board for Auditors (IRBA) accredited ACCA in July 2023, opening the pathway for members and future members to gain Registered Auditor status. The implementation of the new regulatory regime to support ACCA's accreditation was completed in May 2024 and the new pathway to registered auditor status in South Africa was launched on 2 July 2024. In the latter part of 2024, IRBA carried out its first monitoring activity of ACCA and the final monitoring report was received in March 2025. The report contains two recommendations and confirms that ACCA, along with its programmes, continues to meet the accreditation standards set by the IRBA. IRBA also observed a Qualifications Board meeting in January 2025, and ACCA presented to the IRBA Monitoring Committee in March 2025 as part of the monitoring for 2025-26. As part of the Board's regulatory remit, the Board received regular updates on ACCA's developing relationship with IRBA throughout 2024 and will continue to do so in 2025.

Future activities in 2025

The Board will continue to keep a clear focus on the evolving regulatory landscape and will maintain an open and transparent dialogue with the various oversight regulators and with other regulated professions.

At a time of regulatory change, severe geopolitical tensions and economic challenges, it is vital that the Board continues to explore the wider external environment and its implications for ACCA as a regulator. As new regulatory issues and developments arise, the Board is mindful of the need to prioritise its work plan accordingly so that it properly focuses on the areas of most importance. To understand ACCA's resilience as an organisation and preparedness for unexpected change, the Board will receive an overview of ACCA's Business Continuity arrangements for its regulatory and disciplinary activities in early 2025.

The Board will continue to spend time in 2025 considering the implications for ACCA of, among other things, the implementation of UK audit and corporate governance reforms and the development of the FRC's supervisory approach and the increasing of powers to the FRC, with the creation of ARGAs. The Board will continue its discussions on the impact of digital transformation on ACCA's disciplinary and regulatory activities as well as on risk, diversity, inclusion, climate change and sustainability (including the developing framework for sustainability reporting in the UK).

ACCA performance and progress in 2024

Global challenges

2024 continued to see severe geopolitical tensions and economic challenges and these issues required the Board's attention throughout the year. This significant level of uncertainty and pace of change are set to continue both in the year ahead and for the foreseeable future.

ACCA is driven by the need to regulate effectively and in the public interest. Despite the specific challenges presented by devastating conflicts, economic conditions and the need to respond to an evolving regulatory regime, ACCA has continued to develop and operate effectively and efficiently in an ever-changing global situation. ACCA's agility and transformational mindset, together with a clear focus on supporting its global community, have enabled it to innovate, proactively adapt to changing market dynamics, and respond swiftly to crisis and conflict.

This year's report shows continued progress across all areas of ACCA's regulatory functions. However, as indicated earlier in the report, resourcing challenges and the changing regulatory landscape continue to impact on ACCA's regulatory operations. The backlog in statutory cycle monitoring reduced during 2024. Performance against regulatory target KPIs for complaint investigation and adjudication declined. ACCA is not alone in the challenges it is facing with meeting the statutory cycles and the Board has been monitoring the situation closely, receiving regular updates through its performance datasets. The Board is concerned about the performance but is assured that ACCA is prioritising regulatory activities in order to improve performance and ensure it returns to KPI compliance and fulfils its statutory obligations in line with the FRC's and IAASA's expectations. Most notably, the Board reviewed the action plan to return to full monitoring compliance by June 2025 and noted the additional investment to support a return to compliance for complaints and investigations, whilst recognising that this will take time to fully impact.

The underpinning regulatory and disciplinary systems are generally performing satisfactorily. The issues arising from a challenging and rapidly changing external regulatory environment, and the impact on the regulatory functions and their operation, will require the Board's continued attention in 2025.

Professional qualifications

Overview

The ACCA Qualification focuses on three key value propositions comprising examinations, ethics and practical experience. ACCA, with its worldwide network of people, approved learning partners and employers, supports students and members to develop successful careers by providing opportunities for learning and development.

The ACCA Qualification has been designed to provide all the competences required of professional accountants, including auditors. In accordance with modern practice, ACCA takes the view that regulators and employers demand that professional accountants, including auditors, apply a wide business and global perspective to their work. This is reflected in the ACCA Qualification in relation to developments in technology where the ACCA Qualification has continued to embed current topics such as big data, cloud computing, robotic process engineering, artificial intelligence, machine learning, cryptocurrencies and blockchain. Sustainability is also central to changes to the ACCA Qualification with emphasis placed on the importance of sustainability reporting through the inclusion of the IFRS Sustainability Disclosure Standards, the consideration of Environmental, Social and Governance factors in relation to strategy

formulation, investment decision-making and performance measurement and awareness of ISSA 5000 and the conduct of sustainability assurance engagements.

The ACCA Qualification is structured to provide development and progression from the Foundation-level qualifications through to the Applied Knowledge, Applied Skills and Strategic Professional examinations. It not only develops technical expertise but also incorporates the professional skills required of modern professional accountants. The most recently issued (April 2024) standard IFRS 18 Presentation and Disclosure in Financial Statements is examinable from September 2025 with guidance issued on how the new standard will be examined. This ensures that the ACCA Qualification is up to date with new legislation.

Ensuring ACCA students receive the highest quality education support is of utmost importance to ACCA. The Approved Learning Partner programme was introduced to give formal recognition to tuition providers who have demonstrated their success in providing students with quality tuition support. The tuition providers are assessed on one set of global accreditation standards. Exemption accreditation enables ACCA to award a specific level of exemption to graduates of an educational programme following a full assessment of the programme's regulations, syllabus and assessments. ACCA also supports tuition providers through the ACCA Education Hub, an online support toolkit developed to provide easy access to tools and resources universities need to better support ACCA students around the world.

ACCA has secured recognition of the ACCA Qualification at masters degree level on a number of national qualification frameworks. Official endorsement by education regulators is widely understood by employers, provides external assurance, and ensures that ACCA is leading on 'best practice' in qualification development and delivery. In addition, the University of London recognises ACCA exams as credit towards the MSc in Professional Accountancy. ACCA members and affiliates only need to complete two modules and one capstone project to obtain the MSc in Professional Accountancy. The opportunity for ACCA students to gain a BSc (Hons) in Applied Accounting from Oxford Brookes University is available until the programme closes in 2026.

Organisations globally partner with ACCA through the ACCA Approved Employer programme. The ACCA Approved Employer programme recognises employers' high standards of staff training, accountancy resources and staff development. ACCA Approved Employers comprise organisations from varying sectors which include the Big 4 accounting firms of Deloitte, EY, KPMG and PwC.

In keeping with ACCA's commitment to lifelong learning, it also offers a range of further qualifications and a leading edge CPD scheme. These programmes are designed to suit the needs of accountants, finance professionals and non-finance professionals with financial responsibility, at all stages of their careers.

In September 2024 ACCA launched the Professional Diploma in Sustainability. As sustainability rapidly becomes a crucial element in the accountancy profession, ACCA recognises the importance of equipping both future and existing members to meet its growing impact. This diploma builds on existing ACCA qualifications by not only addressing developments in sustainability reporting and assurance but also focusing on the internal organisational activities essential to achieve sustainability objectives.

ACCA continues to provide resources to support effective learning. As well as the Career Navigator and My Exam Performance highlighted in previous reports, ACCA also offers a number of other resources including the ACCA Study Hub which is a digital platform providing free access to study materials for all students registered with ACCA. It is available for students taking FIA, Applied Knowledge, Applied Skills and Strategic Professional exams. The Study Hub contains online study content, covering the full syllabus, short quizzes to test understanding as students progress through the chapters, as well as practice and revision questions and flashcards, to help students prepare for their exam.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Engage and support the digital transformation programme and introduce any resulting improvements and changes to our processes	Phase 1 of ACCA's Digital Transformation programme was delivered in November 2024. This covered ACCA members' processes and resulted in changes and improvements to data reporting processes. Phase 2 is in progress and Professional Qualification (PQ) teams are engaged with work on exemptions and also data reporting in this latest phase.
Implement any recommendations from lead regulators	The FRC recently raised a recommendation for ACCA to require Higher Education Institutions (HEIs) to specify whether module exams are invigilated in the HEI exemptions application form. Work is underway on this recommendation. The prior year recommendation relating to the Ethics and Professional Skills Module assessment has been closed.
Incorporate sustainability standards into the ACCA Qualification and develop a sustainability diploma	Sustainability is central to changes to the ACCA Qualification with emphasis placed on the importance of sustainability reporting through the inclusion of the IFRS Sustainability Disclosure Standards, the consideration of Environmental, Social and Governance factors in relation to strategy formulation, investment decision-making and performance measurement, and awareness of ISSA 5000 and the conduct of sustainability assurance engagements. ACCA successfully launched the Professional Diploma in Sustainability in September 2024.
Make continuous improvements to both the Approved Employer and Approved Learning Partner programmes	There were no changes or updates required to the Approved Employer programme or the Approved Learning Partner programme.

Qualifications Board

General oversight of ACCA's education and learning framework and examination arrangements is carried out by the Regulatory Board through its Qualifications Board. The Qualifications Board achieves this by monitoring the integrity of ACCA's examinations process, receiving the reports from the Chief External Examiner and ratifying the results for release.

Lead regulator oversight

During 2024, the FRC's supervision work focussed on exemptions, and the learning environment and culture. The FRC recently reported on its findings and raised a recommendation for ACCA to require HEIs to specify whether module exams are invigilated in the HEI exemptions application form. The prior year recommendation relating to the Ethics and Professional Skills Module assessment has been closed. The FRC was satisfied that ACCA has robust and well-executed processes, and the outcome confirmed that ACCA continues to meet its statutory obligations as an RQB for auditors.

Outputs – Number of examination sittings and examinations entered

EXAMINATION SITTING	CANDIDATES	EXAMINATIONS ENTERED
March 2022 ¹	88,564	105,155
June 2022	101,866	122,756
September 2022	83,630	99,192
December 2022	107,142	128,693
March 2023	87,305	102,770
June 2023	105,016	123,828
September 2023	89,719	104,389
December 2023	113,636	132,301
March 2024	88,029	102,626
June 2024	107,506	124,727
September 2024	94,040	107,575
December 2024	113,910	130,898

Analysis of outputs

ACCA operates four examination sessions per year across all markets. This provides all students, employers and learning providers with increased flexibility to manage examination studies for the ACCA examinations. The four examination sessions generally take place in March, June, September and December and are offered globally.

ACCA has employed a full test security model across the globe for its Applied Skills exams for many years. The model ensures different CBE sessions are available throughout the day, meaning that not all students get the same examination. This protects the security, and therefore the integrity, of the examinations across the time zones, avoiding over-exposure of any questions in certain parts of the world. A similar model is used for Strategic Professional exams.

In the March 2024 sitting, the overall average pass rate for the Applied Skills and Strategic Professional exams saw an increase of 2% to 49%. The average pass rate for the Applied Skills exams was 51%, which was an increase of 2% on the previous session. The average pass rate for the Strategic Professional exams was 46%, which was an increase of 1% on the previous session.

In the June 2024 sitting, the overall average pass rate for the Applied Skills and Strategic Professional exams saw a decrease of 1% to 48%. The average pass rate for the Applied Skills exams was 50%, which was a decrease of 1% on the previous session. The average pass rate for the Strategic Professional exams was 45%, a decrease of 1% on the previous session.

In the September 2024 sitting, the overall average pass rate for the Applied Skills and Strategic Professional exams increased by 1% to 49%. The average pass rate for the Applied Skills exams was 51%, which was an increase of 1% on the previous session. The average pass rate for the Strategic Professional exams increased by 2% to 47%.

¹ From the March 2022 session onwards, all exams at Applied Skills and Strategic Professional have been session-based CBEs. Paper-based examinations are no longer offered.

In the December 2024 sitting, the overall average pass rate for the Applied Skills and Strategic Professional exams remained the same as the previous session at 49%. The average pass rate for the Applied Skills exams was 50%, which was a decrease of 1% on the previous session. The average pass rate for the Strategic Professional exams remained the same as the previous session at 47%.

Pass rates for Applied Knowledge exams are obtained from 100% computer-based (CBE) on-demand exams. These exams test knowledge and comprehension rather than more detailed application and analysis. Pass rates for these exams remain stable.

The Applied Skills and Strategic Professional pass rates remain stable. A wide range of support across Applied Skills and Strategic Professional exams is made available to students and tuition providers to help students prepare effectively for the exams they are sitting.

In January 2025, ACCA presented a long-term analysis to the Qualifications Board which looked across the learning support and exam feedback cycle to consider overall student performance.

Continuing professional development

Overview

ACCA's CPD regulations stipulate that all members regardless of their role must maintain competence in professional ethics and keep their business and finance knowledge up to date.

In addition, those members holding practising certificates, audit certificates and/or carrying on exempt regulated activities in the relevant period must maintain competence in the specialised areas of their practice and obtain an appropriate proportion of CPD units in those areas.

Participation in CPD may be achieved:

- by being employed by an ACCA Approved Employer – professional development stream;
- via the unit route (including the unit route – part time/semi-retired); or
- by meeting the CPD requirements of another International Federation of Accountants (IFAC) body where ACCA members are also full members of other IFAC bodies, and their CPD requirements comply with IES 7 – Continuing Professional Development.

If members follow the full unit route, they must complete at least 40 relevant units of CPD each year, where one unit is equal to one hour of development. At least 21 of the 40 units must be verifiable. Members must obtain their CPD in areas relevant to their work. Regardless of their role they must maintain competence in professional ethics and keep their business and finance knowledge up to date.

All members carrying on public practice must maintain competence in the specialist areas of their practice and obtain an appropriate proportion of CPD in those areas. Members holding a practising certificate and audit qualification (PQAQ)² are advised that they must undertake audit related CPD on an annual basis even if they are currently not undertaking any audit work. Members who hold an ACCA PQAQ² and/or are an Engagement Partner need to demonstrate developing and maintaining their professional competence to perform this role by the achievement of the learning outcomes specified in the International Education Standard (IES) 8 – Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised). There are no prescribed learning activities; members should choose those that are best suited to their needs, mindful of any constraints, with the exception of member and non-member statutory auditors in firms holding an ACCA Irish firm's auditing certificate who are required to undertake CPD in areas specified in the Irish Annex to the Global Practising Regulations.

² Following the decoupling of the Audit Qualification from the Practising Certificate on 1 January 2025, members holding Responsible Individual status must undertake audit related CPD.

If members are eligible to follow the unit route – part-time/semi-retired, they must complete at least 19 units of non-verifiable CPD per year and set their own level of verifiable CPD. They are required to ensure that they complete an appropriate level of CPD for their role.

Verifiable CPD is where:

- the learning activity is relevant to the career of the member; and
- the member can explain how they applied the learning; and
- the member can provide evidence the learning activity was undertaken.

If members complete more than 21 verifiable units a year, they may carry forward an excess of up to 21 units as a credit into the following year. Members must keep evidence of their CPD activity for three years, with the exception of member and non-member statutory auditors in firms holding an ACCA Irish firm's auditing certificate who are required to keep evidence for six years, and provide this to ACCA when requested.

All members are required to submit an annual CPD declaration, either confirming that they have met the CPD requirements via one of the acceptable routes – unit routes, ACCA Approved Employer or other IFAC body route – or stating that they have not been able to complete the CPD requirement. From 2022 onwards, non-member statutory auditors in firms holding an ACCA Irish firm's auditing certificate are also required to submit an annual CPD declaration to ACCA. The CPD declaration includes confirmation that they have maintained or developed, as appropriate, their competence in professional ethics. Members holding practising certificates are also required to confirm they have complied with the CPD requirements when submitting their annual practising certificate renewal application.

If members, and non-member Irish statutory auditors, state that they have not been able to meet the CPD requirement on their declaration, they are given increased support and guidance to rectify any shortfall. They are then required to make a replacement declaration once they have made good the shortfall. Failure to comply with the CPD requirements may lead to removal from the register of members and/or removal of statutory auditor status.

CPD reviews

Professional Development annually selects a statistically representative sample of members to review their CPD records for sufficiency and relevance, checking that they have maintained competence in relation to their technical specialisms, including audit.

In addition, Professional Development selects members from additional risk groups, such as practising members, audit engagement partners, follow-ups to a previous unsatisfactory review, referrals from regulatory or Approved Employer monitoring and members with missing CPD declarations. ACCA also checks on the compliance of PCAQ holders and/or Engagement Partners with IES 8.

In addition to the CPD reviews undertaken by Professional Development, the CPD records of members are reviewed by senior compliance officers during an audit firm's monitoring visit, by compliance officers as part of desktop monitoring against audit eligibility requirements and Global Practising Regulation reviews, and by licensing compliance officers during an ACCA Approved Employer monitoring visit.

Members found to have unsatisfactory CPD records are given advice on how to rectify their CPD. They are subject to an early follow-up review to confirm that they have taken appropriate action. Failure to comply with the CPD review process or to act on advice on how to rectify their CPD may lead to removal from the register of members.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Manage and maintain ACCA's CPD policy	ACCA continues to use a framework for assessing the currency of its CPD policy. It has confirmed that the policy remains relevant, rigorous, educational and compliant with regulatory requirements, including IFAC's International Education Standards 7 and 8.
Implement the recommendations arising from lead regulator inspections	ACCA has made progress on the FRC's three prior year recommendations. One of these recommendations has been closed but an additional recommendation has been made relating to inadequate CPD review. ACCA is continuing to cooperate with FRC in these areas.
Engage with the digital transformation programme to future proof our processes and introduce the resulting changes to processes	Phase 1 of ACCA's Digital Transformation programme was delivered in November 2024. This covered ACCA members' processes, including CPD compliance (declarations, waivers/adjustments, reviews and reporting). ACCA is continuing to embed these changes.
Continue to expand the range of CPD support and learning opportunities available to members	In 2024-25, ACCA expanded its range of dynamic online courses designed to meet the evolving needs of professionals across multiple sectors. These new offerings cover an extensive range of topics including corporate valuation, leadership, sustainability, data, IFRS, and regulation of artificial intelligence (AI), where governance and the role of ethics in AI is examined. We launched our new Professional Diploma in Sustainability, which includes a three-hour 15-minute case study exam to test application of knowledge and 60 hours of flexible online learning and a comprehensive package of revision and preparation guidance. Furthermore, ACCA has continued to provide a comprehensive programme of webinars, conferences and other resources to support members on important topics.

Qualifications Board

General oversight of ACCA's continuing professional development arrangements is carried out by the Regulatory Board through its Qualifications Board. The Qualifications Board achieves this by monitoring reports on CPD compliance against the KPIs – the percentage of members submitting declarations and the percentage removed for non-compliance – and the number of CPD reviews undertaken. Annual updates on CPD compliance are provided to the Qualifications Board.

Lead regulator oversight

During 2024, the FRC reviewed the delegated audit regulatory task of CPD. It also followed up on previous recommendations. The FRC recently reported on its findings. While noting that progress had been made, three prior year recommendations remain open. The recommendations relate to providing constructive feedback to PCAQ holders following a CPD review, the tone of CPD reminder letters, and improving the use of IES 8 in CPD monitoring. One prior year recommendation relating to a review of training materials for staff conducting CPD reviews has been closed. However, one new requirement has been made. This relates to inadequate CPD review. ACCA has responded to the findings and is continuing to work closely with FRC to deliver further improvements in these areas. As a result, FRC has confirmed that ACCA continues to meet its statutory obligations as an RSB for auditors.

KEY TARGETS v ACTUALS FOR YEAR ENDED 31 DECEMBER 2024	TARGET	ACTUAL
% of membership completing CPD declarations within time ³	98%	98.75%
% of membership removed for CPD default	0.5%	0.36%

OUTPUTS	2024	2023
Members required to confirm compliance with CPD requirements	228,599	223,435
Members that confirmed compliance with CPD requirements	105,747	121,438
Total CPD records reviewed	5,433	4,186

Analysis of outputs

As at 1 April 2025, the percentage of active members who had submitted a CPD declaration for 2023 confirming compliance was 98.75%. The number of members required to submit CPD declarations for 2023 who remain on the active register was 215,546. Of these, 212,859 had submitted CPD declarations for 2023 confirming compliance. ACCA continues to send reminders to members who have not submitted and accepts declarations after the deadline. Members who fail to submit CPD declarations confirming their compliance for two consecutive years are removed. Members who hold a UK or Irish PCAQ who fail to submit CPD declarations confirming their compliance for one year are removed.

The percentage of members completing CPD declarations for 2024 confirming they had met the requirements on or before 1 January 2025 – the stated deadline for submission – was 46.26%.

As at 1 April 2025, the number of members required to submit CPD declarations for 2024 who remain on the active register was 228,229. Of these, 203,930 (89.35%) have submitted CPD declarations for 2024 confirming compliance. This is a slight improvement on the comparative figure for 1 April 2024 when 88.22% of active members had submitted CPD declarations for 2023 confirming compliance.

The percentage of members removed for CPD default in 2024 was 0.36%. This equates to 796 members – 633 for missing CPD declarations and 163 for not cooperating with the CPD review process. This is against a benchmark of 0.50%. This is consistent with the comparable figure for 2023 when 0.37% of members were removed for CPD default. ACCA is continuing to target lapsed members to offer them support to reinstate.

Licensing

Overview

ACCA issues practising certificates to eligible members and is also authorised by statute to issue certificates and licences to individuals and firms undertaking work in the areas of audit, investment business and sustainability assurance. This process helps to meet several objectives:

- members are suitably qualified and experienced to perform the work in question
- consumers and others are better able to identify those who are competent to provide the services they require to high technical and ethical standards
- the authorisation process provides information to ACCA to enable it to assess risk and adopt a proportionate response to monitoring and regulation.

³ 2023 CPD declarations submitted up to 1 April 2025.

Members in practice must provide ACCA with information on an annual basis. They are required, among other things, to:

- confirm that they remain fit and proper
- demonstrate that they hold adequate professional indemnity insurance cover
- provide details of the arrangements they have in place for practice continuity so that the professional needs of their clients will be dealt with if the practitioner dies or becomes incapacitated
- agree to comply with their continuing professional development obligations
- agree to provide all necessary information to assist ACCA with its monitoring procedures.

Practising certificates

ACCA's policy in respect of ACCA practising certificates removes the need for a member in practice to hold an ACCA practising certificate unless they are practising in the UK, Ireland or a designated territory, or are otherwise required by local legislation and/or regulatory requirements to hold an ACCA practising certificate. Members not requiring (or choosing to hold) an ACCA practising certificate are required to notify ACCA if they are carrying on public practice, and such practitioners are placed on a register of ACCA practitioners.

ACCA as a statutory regulator

- **Audit** – An ACCA member wishing to carry out work reserved for statutory auditors in the UK or the Republic of Ireland must hold a practising certificate and audit qualification. Only members who have passed the relevant examination papers and gained the necessary practical experience are eligible for a practising certificate and audit qualification. With effect from 1 January 2025, ACCA decoupled the practising certificate from the audit qualification and members must now apply for these separately.

Firms that hold, or intend to hold, audit appointments in the UK or Ireland require audit registration from an RSB – a RAB in Ireland – such as ACCA. A firm registered with ACCA for audit purposes must hold a firm's auditing certificate..

- **Investment business** – ACCA is a Designated Professional Body (DPB) in the UK under the Financial Services and Markets Act 2000. This enables ACCA to regulate firms undertaking a limited range of exempt regulated activities, including insurance distribution. The provision of such services to a client must be incidental to the provision of accountancy services to that client.
- **Sustainability assurance** – The transposition of the EU Corporate Sustainability Reporting Directive (CSRD) into Irish law allows Recognised Accountancy Bodies to approve statutory auditors and statutory audit firms to carry out the assurance of sustainability reporting. ACCA's Sustainability Assurance Regulations for the Republic of Ireland were implemented in November 2024 and allow ACCA to approve Sustainability Assurance Service Provider (SASP) status.
- **South Africa audit qualification** – The Independent Regulatory Board for Auditors (IRBA) has accredited ACCA to allow eligible ACCA members to enter their Audit Development Programme. As a result, ACCA launched the new pathway to registered auditor status in South Africa in July 2024.

All applications for certificates and licences, including applications for renewals, are subject to approval by the Admissions and Licensing Committee, although the routine scrutiny of application forms is delegated to ACCA staff.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Introduce the decoupled practising certificate and audit qualification	ACCA successfully decoupled the audit qualification (AQ) from the practising certificate (PC) with effect from 1 January 2025. This means that ACCA will award the PC and AQ separately and in addition can award a separate Responsible Individual (RI) status to first-time individuals.
Engage with the digital transformation programme and introduce the resulting changes to our processes	Proactive engagement with the Digital Transformation programme continued in relation to the first phase release to deliver a new customer and partner platform for members and ACCA regulated firms, incorporating the resulting changes into our licensing processes. Activity remains ongoing in relation to future phased deliveries to the system.
Proactively engage with recommendations from lead regulators	ACCA continued to proactively engage with recommendations from lead regulators, ensuring delivery of these regulator led activities within the required timelines.
Introduce process for Sustainability Assurance Service Provider (SASP) licensing	ACCA introduced new Sustainability Assurance Regulations for the Republic of Ireland in November 2024. As a result, new processes have been implemented to allow the approval of SASP status.
Deliver effective IRBA accreditation processes and reporting of accreditation activities	ACCA has implemented the activities in relation to the IRBA accreditation and successfully submitted the first regulatory report.

Lead regulator oversight

During 2024, the FRC reviewed the delegated audit regulatory task of registration. It also followed up on previous recommendations. The FRC recently reported on its findings and one new requirement has been made. This relates to internal communication on issues impacting registration. The prior year recommendation relating to internal oversight of registration decisions has been closed. The inspection outcome confirmed that ACCA continues to meet its statutory obligations as an RSB for auditors.

ACCA worked closely with IAASA to implement the required improvements following the 2022 IAASA inspection of ACCA's licensing arrangements for Irish statutory auditors and audit firms. The findings from this inspection have now been closed by IAASA. It will undertake another licensing supervisory visit in 2025.

KEY TARGETS v ACTUALS FOR YEAR ENDED 31 DECEMBER 2024	TARGET	ACTUAL
Processing Practising Certificate with Audit Qualification (PCA)	80% completion of initial assessment feedback within 30 working days	96% completion of initial assessment feedback within 30 working days
PCA applications (quality assurance)	100% no incorrectly awarded PCAs	100% no incorrectly awarded PCAs
Processing Practising Certificate General (PCG)	80% completion of initial assessment feedback within 30 working days	91% completion of initial assessment feedback within 30 working days

OUTPUTS	2024	2023
Practising certificate holders	12,810	12,678
Audit qualification holders	2,857	2,939
Audit firms in the UK and Ireland	1,310	1,408
Sustainability assurance service providers in Ireland	1	0
Sustainability assurance firms in Ireland	1	0
South African audit qualification holders	0	0
Firms holding DPB registration in the UK	795	861
Anti-money laundering supervised firms	2,360	2,257
Anti-money laundering supervised sole practitioners	5,402	5,359

Analysis of outputs

The number of members holding a practising certificate has increased to 12,810 (2023: 12,678). There are currently 3,266 members on the register of practitioners.

At the end of 2024, the number of members holding a practising certificate and audit qualification decreased by 82 members. This decrease may, in part, be explained by the reduction in firms engaging in audit as noted below, which means a Principal is not required to hold a practising certificate and audit qualification.

The number of firms holding audit registration decreased by 98. The steady decline in firms holding audit registration can be attributed to the rise in audit thresholds. Many of the small and medium-sized practices which remain authorised have very few audits, and rising compliance costs and increased regulatory burdens could force more firms to withdraw from audit and seek new forms of work.

Following the introduction of the new Sustainability Assurance Regulations for the Republic of Ireland in November 2024, ACCA has awarded SASP approval to one individual at an ACCA firm.

Authorisation has met its targets in respect of statutory audit registration.

Monitoring

Overview

A key mechanism in any system of regulation of practising accountants is a programme of monitoring visits designed to examine compliance with relevant rules, regulations, standards and best practice.

UK and Ireland

ACCA's statutory recognition in the UK and Ireland as a licensing and supervisory authority for auditors, and those performing incidental investment activities in the UK, requires it to undertake a comprehensive programme of monitoring visits to licensed firms, audit training firms and individuals on a defined cyclical basis. In addition, ACCA supervises its firms for compliance with anti-money laundering requirements in both the UK and Ireland. This work is undertaken by ACCA's Compliance team.

The Regulatory Board oversees any changes to ACCA's policies concerning monitoring arising out of inspections by lead regulators or other drivers for improvement.

Global monitoring activities

In many countries, ACCA members and firms are required by local legislation to register with a national professional body or regulator. Where that body or regulator has a monitoring programme in place, ACCA aims to avoid duplication.

In 2024, ACCA had active contracts with seven other professional bodies and regulators to undertake audit monitoring on their behalf, adapting and using the audit monitoring methodology it applies in the UK and Ireland. ACCA also had a separate contract with the national professional body of Cyprus to undertake AML monitoring on its behalf.

In addition to those practising members who are covered by the arrangements described above, there are a very small number of ACCA members who practise in countries that do not have, and are unlikely to implement, a programme of monitoring. These members are licensed to practise by the government authorities of these countries, which are responsible for regulating them.

Monitoring methodology

Key features of ACCA's monitoring methodology are set out below:

- the recruitment of specialist staff with extensive experience in their specialism, who undergo practical training in the application of ACCA's monitoring methodology before being allowed to undertake monitoring reviews
- a holistic approach to monitoring, taking into account the characteristics of the member, the firm, their clients and the nature of the professional services they provide to the public
- a risk-based approach which enables ACCA to target certificate holders identified as posing a higher risk for more frequent monitoring reviews
- an examination of the licence holder's procedures, processes and quality controls, which is supplemented by an inspection of audits, cases and transactions to ensure that they are applied effectively
- a highly developed assessment process to consider the seriousness of any instances of non-compliance identified, prior to concluding whether the monitoring review has a satisfactory or unsatisfactory outcome overall
- a focus on assisting firms or individuals to improve the quality of their work, using regulatory processes only where they are required in the interests of the clients and the public
- forms of reporting, appropriate to the professional services provided by the firm or individual, that communicate clearly the results of the monitoring review, and assist in rectifying any breaches or deficiencies for the future
- an internal quality control system to ensure that all monitoring reviews are conducted in accordance with ACCA's requirements. This provides assurance that the overall outcome of a monitoring review has been determined in accordance with ACCA's basis of assessment, and that the report issued is clear and will assist the licence holder. As part of the quality control process, a sample of audit monitoring reviews that are not subject to regulatory action are subjected to oversight by an Audit Monitoring Committee (AMC). This oversight takes place once the firm has supplied its action plan and any other outstanding matters have been cleared.

Monitoring reviews are generally undertaken on a cyclical basis which varies in length, depending upon the type of review. However, firms previously found to be non-compliant or considered higher risk are scheduled for an early follow-up review. For this reason, and because some firms hold licences but do not undertake any regulated activities, the number of reviews undertaken as a proportion of the number of firms licensed can vary from year to year.

Admissions and Licensing Committee

The monitoring of ACCA practitioners and firms is performed with the objective of protecting the public. Where work performed fails to reach the required standard, the measures available to ACCA include referral to a regulatory assessor or to the Admissions and Licensing Committee. Although an assessor may impose conditions on a certificate, only the Committee may remove a certificate or licence. The Admissions and Licensing Committee is independent of ACCA and is chosen from a panel of committee members appointed by the Appointments Board in accordance with ACCA's Regulatory Board and Committee Regulations. Hearings of the Admissions and Licensing Committee are held in public and the Committee has a lay majority.

The procedures followed by the Admissions and Licensing Committee are set out in the Authorisation Regulations and, in respect of audit and anti-money laundering cases, the applicable Regulatory Board Policy Statement and Regulatory Guidance, which are available on the ACCA website. The Policy Statements and Regulatory Guidance provide guidance on the range of options available to regulatory assessors and the Admissions and Licensing Committee when considering what orders to impose upon an individual or firm. They also provide transparency, so that members and others are aware of the range of orders available. The Guidance also helps to ensure that orders made are consistent and proportionate.

Notices of hearings of the Admissions and Licensing Committee are published on the ACCA website. The decisions of the regulatory assessor and the Committee are also published on the website, naming the member.

Following a hearing, the Committee's written reasons for its decision are provided to the member, who may then apply for permission to appeal.

Audit Monitoring Committee

The purpose of the Audit Monitoring Committee is to oversee audit monitoring and ensure consistency of process and of outcomes. The Audit Monitoring Committee has limited powers and is not able to make regulatory and disciplinary orders in the same way as the other regulatory and disciplinary committees, although it does determine the outcome of a proportion of monitoring reviews and the timing of the follow-up review. Audit Monitoring Committee meetings normally take place once a month.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Ensure compliance with ACCA's regulatory obligations in respect of monitoring and embed a digital first approach	ACCA continued to closely monitor its regulatory obligations to ensure sufficient resource is made available to achieve compliance and take action where necessary. ACCA has maintained the blended monitoring approach throughout the year, whereby higher risk firms are visited on-site and lower risk reviews are likely to be undertaken remotely embedding ACCA's digital first approach.
Proactively engage with recommendations from lead regulators	ACCA continued to proactively engage with recommendations from lead regulators, ensuring delivery of these within the required timelines enabling closure of some prior year recommendations.
Continue to identify ways to expand the range of support for practitioners	<p>The Compliance team publish practitioner articles on a quarterly basis to support practitioners. In 2024, these articles covered what to expect from a monitoring review; an ISQM update focussing on annual evaluations; common audit planning issues; and an updated summary of the root causes of the common issues. The Compliance team has also introduced quarterly practitioner webinars to accompany these articles.</p> <p>In addition, webinars were hosted in both the UK and Ireland focusing on the practicalities of an audit monitoring review and common issues identified. These will continue in 2025 allowing us to identify key issues in a timely manner.</p> <p>The AML Supervisory team have produced technical factsheets to support members in the UK and Ireland to be compliant with money laundering regulations. In 2024, the AML supervisory team presented on the ACCA stage at the UK Accountex exhibition on AML compliance and will do so again in 2025.</p>
Engage with the digital transformation programme and implement the resulting changes to our processes	Proactive engagement with the Digital Transformation programme continued in relation to the first phase release to deliver a new customer and partner platform for members and ACCA regulated firms, incorporating the resulting changes into our monitoring processes. Activity remains ongoing in relation to future phased deliveries to the system.

Lead regulator oversight

During 2024, the FRC reviewed the delegated audit regulatory task of monitoring. It continued its policy of shadowing a sample of audit monitoring visits and also followed up on previous recommendations and requirements. The FRC recently reported on its findings. Two prior year requirements relating to meeting the statutory review cycle and documentation in audit file inspection checklists have been closed. Two prior year recommendations relating to the audit monitoring manual and internal quality control procedures have also been closed. However, there are two new requirements; one in relation to grading clarification; and one in relation to insufficient challenge. The inspection outcome confirmed that ACCA continues to meet its statutory obligations as an RSB for auditors.

OPBAS reviewed the effectiveness of ACCA's supervisory approach to AML in January 2023. Since the July 2021 assessment, ACCA has been deemed to have increased in effectiveness in four areas and remained the same in two. The supervisory assessment findings from the 2023 review have been closed by OPBAS in June 2024, with the exception of an action relating to the implementation of digital transformation.

KEY TARGETS v ACTUALS FOR YEAR ENDED 31 DECEMBER 2024	TARGET	ACTUAL
Number of monitoring reviews due in 2024 of firms holding audit registration in the UK and Ireland	247	284
Number of anti-money laundering compliance reviews of supervised firms in the UK, Isle of Man and Ireland in 2024-25	350	311

Outputs – number of reviews

REVIEW TYPE	2024	2023
Audit – UK and Republic of Ireland – audit work	176	179
Rule compliance – UK and Republic of Ireland	468	479
Audit – UK and Republic of Ireland – training auditors	519	436
Audit – Global (including Cyprus)	183	181
Investment business – UK	78	98
AML reviews – UK and Ireland	282	415
AML reviews – Cyprus	144	127

Analysis of outputs

In the UK and Ireland, audit monitoring reviews are split into two component parts: audit work, and eligibility for audit registration together with compliance with the *ACCA Rulebook*.

In 2024, 176 reviews were carried out of firms holding audit registration in the UK and Republic Ireland that have audit appointments. The monitoring reviews encompassed both an inspection of the firm's audit work and an assessment of the firm's compliance with the *ACCA Rulebook* (including eligibility for audit registration).

Where a firm does not hold audit registration in the UK and Republic of Ireland, or it holds audit registration but has confirmed it has no audit appointments, the monitoring of compliance with the *ACCA Rulebook* and eligibility for audit registration, where applicable, is usually carried out remotely by a separate team; 468 such reviews were carried out in 2024.

The scope of audit monitoring visits undertaken on behalf of national professional bodies or regulators outside the UK and Ireland entails verifying firms' compliance with the International Standards on Quality Management, International Standards on Auditing (ISAs) in the conduct of audit work, and compliance with the IESBA Code of Ethics for Professional Accountants including International Independence Standards directly relevant to the audit of annual financial statements.

ACCA has maintained the blended monitoring approach during 2024, whereby higher risk firms are visited on-site and lower risk reviews are likely to be undertaken remotely.

ACCA requires action plans, including a root cause analysis, from all firms required to make improvements in the standard of their audit work. These action plans assist and encourage firms to make the necessary improvements. ACCA assesses whether the action plan is likely to be effective and requires the firm to amend the plan, if appropriate. Follow-up monitoring will include assessment of the effectiveness of the action plan.

ACCA conducts specific anti-money laundering (AML) compliance reviews of firms in the UK and Ireland. The type of review a firm receives is determined by ACCA's money laundering risk rating of that firm.

The risk rating is determined by ACCA's AML Annual Return which all supervised firms are required to complete. AML compliance reviews comprehensively assess the controls a firm has in place to ensure compliance with the AML requirements. Following the review, the firm is issued with a report detailing any findings. The firm is provided with a time frame to implement the required action and provide evidence, and ACCA will then assess if the improvements meet the requirements.

AML compliance reviews are delivered remotely in line with ACCA's digital first approach. The AML Supervisory team continues to assess the AML compliance reviews to ensure that the review processes are fully optimised in order to ensure ACCA is efficient and effective in meeting its AML supervisory obligations.

The AML Supervisory team continued to optimise their processes during the period to maintain review capacity across the team despite losing significant resource to the Digital Transformation programme and turnover of one full time employee. As a result, the number of AML compliance reviews conducted in the final quarter of the year was below plan.

ACCA formally responded to the UK Government consultation on the 'Reform of Anti-Money Laundering and Counter Terrorism Financing Supervisory Regime' in September 2023 outlining its views of the risks, benefits and impacts of the various proposals. The outcome of the consultation was due in March 2024, but this has been delayed and currently there are no updates regarding the proposed reforms. ACCA also published its annual report on ACCA's AML supervisory activities in October 2024.

ACCA took over the chairmanship of the UK AML Supervisors Forum (UK AML SF) in November 2024. The period of chair will run until the end of 2025. The UK AML SF is a quarterly meeting of all UK AML professional body supervisors, statutory supervisors, government and law enforcement.

Investigation and discipline

Overview

ACCA deals with complaints about its members and students, including allegations of misconduct. Complaints are received from a variety of sources including dissatisfied clients, employers of members, other practitioners, members of the public and referrals from departments within ACCA. Complainants can lodge a complaint by completing a complaint form, which is easily accessible on the ACCA website. ACCA's responsibilities encompass conciliation, investigation and discipline. In doing this, ACCA acts in the public interest and in accordance with the principles of good regulation. It strives to take effective and proportionate disciplinary action, where appropriate, while carrying out procedures that are fair, consistent and transparent.

ACCA is a global regulator and applies the same standards to all its members, affiliates and students worldwide. ACCA is concerned to act, and be seen to act, proportionately and robustly when its members, affiliates or students fail to meet those standards.

ACCA's conciliation service provides conciliation where disagreements involving ACCA members are appropriate for such resolution, and where the public interest does not require disciplinary action. This is achieved by finding a solution that is acceptable to both parties, while ensuring that any need for disciplinary action is also further investigated. ACCA members can also utilise mediation and arbitration as alternative means of dispute resolution where they are in dispute with clients or other parties. The ACCA Mediation Scheme and The ACCA Arbitration Scheme are administered independently by the Chartered Institute of Arbitrators.

Disciplinary Committee

If an investigation suggests that there may be a case to answer, a report of disciplinary allegations will usually be prepared for consideration by an independent assessor. If ACCA's investigation suggests that a matter should be closed or should rest on the relevant person's file, the complainant may request a review of that decision by an independent assessor. This ensures that the process of determining which matters should be brought before the Disciplinary Committee is, and is seen to be, thorough and objective.

The Disciplinary Committee itself is independent of ACCA and is chosen from the same panel of committee members as the Admissions and Licensing Committee and the Appeal Committee. All panel members are selected and appointed by the independent Appointments Board. As with the Admissions and Licensing Committee, hearings of the Disciplinary Committee are open to the public (other than in exceptional circumstances) and the Committee has a lay majority. The procedures to be followed at disciplinary hearings are set out in the Complaints and Disciplinary Regulations and in Guidance which are published on the ACCA website. Both the Regulations and the Guidance clearly set out the framework for decision-making and the wide range of sanctions available to the Disciplinary Committee.

ACCA may also dispose of a complaint by way of Consent Order. The Consent Order regime allows ACCA to dispose of a complaint where the relevant person accepts responsibility for any failings and/or breaches being investigated. It has the benefit of being a formal disciplinary order, without the need for a full disciplinary hearing. Consent Order decisions are usually publicised naming the relevant person. There is no right of appeal against a Consent Order.

Pre-hearing notifications are published on the ACCA website, notifying the public of cases that are to be heard. Following a hearing, the Committee's written reasons for its decision are provided to the member or future member. If there has been a finding against that person, the Committee's reasons for decisions are usually publicised on the ACCA website. However, the Committee has discretion to limit publicity in exceptional circumstances. Publicity will be on the ACCA website and, for members and future members in the UK and Ireland who are subject to a disciplinary hearing, is also sent to a newspaper local to the member's area of practice or the future member's town of residence.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Operate a regulatory and disciplinary service which upholds the public interest and ACCA's Rulebook through a process which is timely, proportionate, fair and transparent, ensuring effective sanctions against members, future members and affiliates, ensuring compliance with the rules of natural justice and the Human Rights Act	ACCA continued to operate its disciplinary service and actively work towards addressing resourcing challenges so that sufficient resources are made available. ACCA takes action where necessary in accordance with its public interest remit, through proportionate, fair and transparent disciplinary action.
Engage with lead regulators and implement the recommendations arising from lead regulator inspections	ACCA continued to proactively engage with recommendations from lead regulators, ensuring delivery of these regulator led activities within the required timelines.
Engage with the digital transformation programme and introduce any resultant process changes	Proactive engagement with the Digital Transformation programme continued in relation to the first phase release to deliver a new customer and partner platform for members and ACCA regulated firms, incorporating the resulting changes into our investigation and disciplinary processes.

Lead regulator oversight

In 2024, the FRC remotely reviewed a sample of ACCA's enforcement case files. It also carried out a dip-sample of audit decisions which should have been published on ACCA's website. The FRC recently reported on its findings and there was one new requirement relating to disciplinary decisions removed in error, which has been addressed. The inspection outcome confirmed that ACCA continues to meet its statutory obligations as an RSB for auditors.

ACCA worked closely with IAASA to implement the required improvements following the 2023 IAASA inspection of ACCA's complaints and disciplinary arrangements for Irish statutory auditors and audit firms. The findings from this inspection have now been closed by IAASA.

In 2024, IAASA conducted another review of ACCA's complaints and disciplinary system. Their final report was provided to ACCA in March 2025. IAASA's report highlighted further areas of focus for ACCA in the coming year and ACCA is working with IAASA to deliver the recommendations made in these areas.

KEY TARGETS v ACTUALS FOR YEAR ENDED 31 DECEMBER 2024	TARGET	ACTUAL
Average time taken to deal with a complaint in the Assessment and Investigations Department (from the date allocated to an investigations officer or 14 days from the date that the complaint is received by the Conduct Department (whichever is sooner) to the date investigation concluded, minus external deferral periods)	6 months	7.6 months
Average listing time for disciplinary hearings (from the date of independent assessor decision to the first listing date of the Disciplinary Committee hearing)	6 months	12.8 months

OUTPUTS – COMPLAINTS	2024	2023
Complaints in hand at the start of the year	856 ⁴	797 ⁵
Complaints received during the year	752	706
Complaints deemed out of scope because the nature of the complaint is outside the remit of ACCA	16	20
Complaints closed by Staff (before referral to a Committee or Assessor)	520	454
Complaints closed by Committee (Independent Committee, Conduct Committee, Assessor, Independent Review Committee)	72	79
Complaints closed by Disciplinary Committee	149	84
Complaints closed by Appeal Committee	15	11
Complaints in hand at the end of the year	836	855
Average time to conclude an investigation	7.6 months	7.9 months

⁴ There is an opening balance adjustment of one case from the in-hand cases as at 1 January 2024.

⁵ There is an opening balance adjustment of one case from the in-hand cases as at 1 January 2023.

OUTPUTS – HEARINGS ⁶	2024	2023
Disciplinary Committee hearings	183	133
Disciplinary Case Management meetings	15	7
Admissions and Licensing Committee hearings	52	45
Appeal Committee hearings	2	5
Permission to Appeal Committee hearings	24	11
Consent Order hearings	28	49
Interim Orders hearings	56	34
Health Committee hearings	7	5
Regulatory Assessor Committee meetings	13	17
Audit Monitoring Committee meetings	12	12
Total number of hearings	392	318
Cases concluded by Disciplinary Committee	148	95
Disciplinary Case Management meetings concluded	15	6
Cases concluded by Admissions and Licensing Committee	50	42
Cases concluded by Appeal Committee	2	4
Cases concluded by Permission to Appeal Committee	21	9
Cases concluded by Consent Order	28	49
Cases concluded by Health Committee	7	2
Regulatory Assessor Committee meetings concluded	12	17
Cases concluded by Interim Orders Committee	52	33
Audit Monitoring Committee cases considered	36	36
Total number of cases concluded	371	293
Average listing time for disciplinary hearings at 31 December	12.8 months	9.2 months

Analysis of outputs

The total number of complaints received by ACCA increased in 2024, with 752 received compared to 706 in 2023. The average time to conclude an investigation has continued its downward trend and decreased slightly to 7.6 months compared to 7.9 months in 2023. ACCA concluded its investigation within six months in 50% of cases (the target KPI is 75%). The target KPIs in respect of investigations concluded within 12 months and those concluded in excess of 12 months were both 12 percentage points below target, but there has been a 5% improvement in 2024.

The average listing time for disciplinary hearings in 2024 remains significantly above the six-month KPI, increasing to 12.8 months compared to 9.2 months in 2023. In 2024 there were 111 Disciplinary Committee cases heard with a listing time over 6 months, 61 of which had a listing time over 12 months. There were 183 Disciplinary Committee Hearings in 2024 which represents an increased hearing rate of 38% compared to 2023, when 133 such hearings took place.

⁶ Where a case has been scheduled for two or more days, this counts as one hearing.

The factors influencing performance in 2024 include resourcing challenges, the volume of complaints awaiting allocation for investigation/conciliation, and those awaiting listing for hearing.

ACCA remains committed to continuous improvement and, on an ongoing basis, will continue to review and improve the efficiency of the complaints handling process, mindful of its regulatory obligations and its target KPIs.

Regulatory governance

Overview

ACCA's governance arrangements for regulation and discipline and the integrity of the examination process allow these functions to operate with appropriate independence from other activities. Its regulatory oversight structure ensures autonomous oversight of ACCA's governance arrangements. This includes supporting the work of the PIOBs and the operation of ACCA's disciplinary and regulatory committees.

ACCA oversees the update of the *ACCA Rulebook* and the promulgation of other standards. It also promotes ethics and engages with members, standard-setters and other bodies on ethical matters.

ACCA maintains effective relationships with lead regulators and others, including the provision of reports and other information; implementing recommendations in line with requirements and ensuring compliance; and engaging with regulatory developments to help shape regulatory policy in the public interest. This includes providing support to our relationships team, other professional bodies and regulators on regulatory development and building the profession activities.

ACCA Rulebook

The *ACCA Rulebook* consists of ACCA's Royal Charter, bye-laws, regulations and Code of Ethics and Conduct. The Rulebook applies to all members, affiliates, registered students, firms, regulated non-members, and all persons who otherwise agree to be bound by it. Failure to comply with ACCA's Regulations and Code of Ethics and Conduct, which exist within ACCA's governance framework of its Royal Charter and Bye-laws, renders them liable to regulatory and disciplinary action. The Rulebook is updated regularly, in line with regulatory developments, policy requirements and legislative changes.

Other regulatory standards

Members are not only required to adhere to ACCA's rules and standards, they are also required to comply with standards issued by national and international standard-setting bodies. ACCA provides information and guidance to ensure that its members are aware of these other regulatory standards, including the Practice Information Handbook; CCAB and CCAB-I guidance on ethics and anti-money laundering; useful factsheets covering the application of rules and standards; and signposting to auditing and accounting standards on the websites of national and international standard-setters.

Regulatory development

ACCA supports other professional bodies and regulators to strengthen systems of regulation for accountants in other jurisdictions. The support may take the form of donor funded consulting assignments, the provision of guidance on regulatory matters, participation in working parties and responses to consultations on regulatory reform. During 2024, ACCA provided regulatory support to other professional bodies and regulators in Ethiopia and Malawi.

Progress against key regulatory priorities for 2024–25

KEY PRIORITY	UPDATE
Actively engage with lead regulators and governments to contribute to developments and the implementation of regulatory changes	<p>ACCA has open and constructive dialogue with lead regulators and governments, and the ability to exchange views is important to the development and implementation of regulatory changes.</p> <p>In 2024-25, ACCA actively engaged with lead regulators on the decoupling of the practising certificate and audit qualification and the introduction of Responsible Individual and Regulated Non-member status; the implementation of new audit regulations in the Republic of South Africa and sustainability assurance regulations in the Republic of Ireland; and proposed regulatory changes arising from our Innovation in Learning and Assessment (ILA) programme.</p> <p>Our lead regulators valued the early and constructive engagement on the Rulebook this year and they also welcomed ACCA's support for other regulatory workstreams. In 2024-25, we responded to thematic reviews, consultations and market studies, and changes to government policy and legislation. We also continued to engage with the FRC on the development of the quality of auditor education and training, its future audit supervision strategy, and the transition to ARGAs.</p>
Maintain fair and competitive pricing for members and future members and identify Rulebook changes and requirements for AGM	<p>ACCA has continued to review and develop its strategic pricing approach, including pricing policies and principles. We maintain fair and competitive pricing for members, future members and firms by monitoring the external environment and drawing on insights across the organisation. A pricing review was conducted in October 2024, and we will revisit potential changes once our Digital Transformation programme is fully delivered. While greater pricing and payment flexibility is on the horizon, the identification of Rulebook changes and requirements for the AGM arising from these changes has been delayed.</p>
Ensure the Rulebook reflects innovations across the organisation and the implementation of regulatory changes	<p>ACCA's work on modernising and improving the <i>ACCA Rulebook</i> continued in 2024-25, with complex and challenging changes to our regulations and regulatory processes, from implementing PCAQ Decoupling to drafting new South Africa Audit Regulations and Irish Sustainability Assurance Regulations.</p> <p>During the year, the Standards Board approved proposals to restructure the ACCA Code of Ethics and Conduct and Global Practising Regulations to reduce complexity and introduce more efficient processes, and this work will be ongoing into 2025-26.</p> <p>We have also utilised digital capabilities in Rulebook updates, and started to explore potential opportunities to use artificial intelligence in Rulebook processes.</p>

Lead regulator oversight

In 2024, the FRC continued its review of the governance of ACCA's regulatory activities. It observed meetings of the Qualifications Board and the Regulatory Board. It also assessed the adequacy of ACCA's business continuity planning and internal audit arrangements. The FRC recently reported on its findings and was satisfied that ACCA continues to provide effective risk-based governance over its regulatory responsibilities. There are no requirements or recommendations in relation to this work. However, the FRC issued some observations, including good practice highlights, and ACCA will consider what actions it needs to develop and implement in response.

In summer 2024, IAASA undertook a thematic review of ACCA's regulatory governance arrangements, and it will undertake a governance supervisory visit in 2025.

ACCA plans for 2025

ACCA's world is changing at a fast pace but it has always thrived by embracing challenges and turning them into possibilities. And now more than ever, with its ambitious strategy and bold rebooted brand, it's time for ACCA to drive forward its ambition to **lead the accountancy profession for a changed world**.

In 2025–26, ACCA's strategic focus is simple yet powerful: **Standing out in a changed world**. This is about capitalising on ACCA's unique position as the world's only truly global professional accountancy body. It's about excelling in everything it does: creating value for the ACCA community through its everyday work, continuing its digital transformation, driving forward its innovations in learning and assessment, reinforcing the ever-increasing value of the profession, and fostering a working culture where everyone can contribute their best.

Over the next 12 months, ACCA will be leading change, not just responding to it. Its two major strategic investments in 2025-26 – **Delivering digital transformation** and **Progressing innovation in learning and assessment** – are critically important and key to super-charging ACCA's strategic ambition. In the year ahead, ACCA will stand out through programmes of work that support our four strategic outcomes – **Redefine the accountant, Drive career success, Strengthen impact** and **Build sustainable value**.

ACCA's global nature puts it in a very strong position to monitor the external environment and understand marketplace and stakeholder needs in 2025, in particular analysing how the drivers of change impacting its world are shifting and changing. ACCA will continue to engage with the Board and regulators should challenges arise from regulatory issues and developments requiring changes to its regulatory activities.

Key regulatory priorities for 2025–26 ⁷

PROFESSIONAL QUALIFICATIONS

- Manage the withdrawal of the SBR UK variant exam following the June 2025 exam session
- Engage with and support the Digital Transformation programme and introduce any resulting improvements and changes to our processes
- Implement any recommendations from lead regulators
- Coordinate engagement with national and international education and audit regulators on the development and progress of the ILA programme

CONTINUING PROFESSIONAL DEVELOPMENT

- Manage and maintain ACCA's CPD policy
- Implement recommendations arising from lead regulators
- Engage with the Digital Transformation programme to future proof our processes and embed change
- Continue to expand the range of CPD support and learning opportunities available to members

LICENSING

- Correctly assess and process applications for certificates and licences, including audit, in line with key targets
- Actively engage with lead regulators
- Introduce processes to award the South African audit qualification
- Introduce processes to award Sustainability Assurance Service Provider (SASP) approval following the introduction of the 1 January 2026 requirements
- Complete a review of the licensing fees structure

MONITORING

- Conduct monitoring reviews in accordance with legislative requirements and procedures agreed with regulators
- Take appropriate action following a monitoring review, with the objective of protecting the public and improving standards
- Actively engage with lead regulators
- Introduce a new process to assess ISQM1 compliance of ACCA audit firms

INVESTIGATION AND DISCIPLINE

- Deliver an effective and proportionate investigation and disciplinary service which upholds the public interest, ensuring effective sanctions and compliance with the relevant legal frameworks
- Actively engage with lead regulators including implementation of lead regulator recommendations and any required process changes
- Maintain a strong focus on meeting key performance indicators (KPIs) and accelerating the disposal of backlog cases to ensure timely and proportionate outcomes

REGULATORY GOVERNANCE

- Update and enhance the *ACCA Rulebook* (engagement and navigation)
- Respond to innovation across the organisation and ensure the Rulebook and regulatory implications are fully considered and subject to oversight, including DT, ILA, pricing
- Actively engage with lead regulators and governments to contribute to developments and the implementation of regulatory changes, including FRC transition to ARGA
- Implement recommendations arising from lead regulators

⁷ The key priorities reflect key areas of focus for Q1 and Q2 of 2025-26 and all are due to be completed by 2026 unless otherwise specified.

Biographies of Board members

The Regulatory Board is responsible for general oversight over ACCA's regulatory functions and aims to ensure that ACCA's regulatory arrangements operate in the public interest. The Board has a lay majority and comprises an independent lay (ie non-accountant) Chair, five lay members and two Council members.

The members of the Board are:



Lucy Winskell (Lay Chair of Regulatory Board)

Lucy was Pro Vice-Chancellor (employability and partnerships) at Northumbria University for 12 years until 2022 when she stood down from that role on her appointment as Lord Lieutenant of Tyne and Wear 2022. During her time at Northumbria University, she led the development of Northumbria's relationships with local government and public bodies, shaping its contribution to regional economic, cultural, and social development and graduate employment and establishing its Amsterdam campus. She remains as a Visiting Professor at Northumbria and will continue her non-executive roles.

Prior to joining Northumbria University in 2010, Lucy was a litigation lawyer for 28 years. During that time as a lawyer Lucy gained a very deep and rich experience of membership organisations and the regulation of professionals, sitting on the Council of the Law Society of England and Wales, on the board of the Solicitors Regulation Authority and President of Newcastle Law Society.

She has extensive non-executive director experience. Appointments have included Chair of the North East Local Enterprise Partnership, Government Office North East, Darlington Building Society, the British Chambers of Commerce, Heritage Lottery Fund, the North East Industrial Development Board and the Arts and Humanities Research Council, the last two being ministerial appointments.

Currently she is a non-executive director of North East Access to Finance, Port Of Blyth and the Chartered Institute of Legal Executives where she chairs their Regulatory Board.

Lucy has international experience as a former UK President of the Union Internationale des Advocats and served as UK chair of the British-American Project, the think-tank and international network for Anglo-US business and cultural relations.

She is chair of Live Theatre, a trustee of Live Theatre and International Centre for Life, both in Newcastle upon Tyne and is deputy chair of The Community Foundation, Tyne and Wear and Northumberland.

Lucy was awarded an OBE in the Queen's Birthday 2014 Honours List in recognition for her services to Higher Education and the regional economy in the North East. She was appointed as Deputy Lieutenant of Tyne and Wear in 2014 and was High Sheriff of Tyne and Wear 2015-16.



Liz Blackburn (Council member of Regulatory Board)

Liz has a diverse range of financial controls assurance, reporting and audit experience, as well as a passion for, and track record of building collaborative business relationships and helping businesses and individuals develop and succeed. Her roles with blue chip financial services organisations and Big 4 accountants over the past 35 years have given her extensive experience of external audit, review and challenge, risk and control assessments, driving Risk Culture activities, Operational and ESE risk, and exposure to Board Risk Committees.

Liz was appointed as an Independent Court Member of Abertay University in Dundee in 2023. Having previously been a member of their Audit and Risk Committee, she is now Vice Chair of the Finance and Corporate Performance Committee and a member of the Chairs Committee.

During 2024, Liz used her experiences to transition into the Higher / Further Education Sector. After an interim role as Director of Finance, she is now Corporate Director at Sabhal Mòr Ostaig, the National Centre for Gaelic Language and Culture, based on the Isle of Skye.

Liz was admitted to membership of the ACCA in 2000 and became a Fellow in 2005. She was elected to ACCA's Council in November 2017, and has served on the Resource and Oversight Committee, Remuneration Committee, Nominating and Governance Committee and Standards Board.

Prior to joining Council, Liz chaired the UK Financial Services and the Edinburgh & East of Scotland Member Network Panels and was awarded ACCA UK Advocate of the Year in 2016.

Liz chairs the ACCA Accountants for Business Global Forum, a group of 25-30 CFOs from around the world which meets quarterly and discusses a wide range of topics from geopolitical risks, finance transformation, the future of work through to climate change. Output from the Forum informs the Policy and Insights (P&I) research, and as such Liz works with the PI Team and contributes to a number of their reports.

Liz is an ex officio member of the ACCA Scotland Committee.



Richard Cooper (Lay member of Regulatory Board and Chair of Standards Board)

Richard Cooper has extensive experience of leading business transformation and operating at board level within complex organisations. He had worked with BT for more than 10 years, leading business transformation and engaging in face-to-face dealings with the UK telecoms regulator and other communication providers.

Since leaving BT (in March 2018) he has taken up roles including:

Non-Executive Director and Audit Committee Chair, Health Research Authority – The HRA is an arm's-length body in the Department of Health & Social Care that protects and promotes the interests of patients and the public in health and social care research.

Member of the NHS Pay Review Body – The NHSPRB provides independent recommendations on the remuneration of all staff paid under Agenda for Change employed in the NHS. The NHSPRB's recommendations apply to all staff in the NHS, with the exception of doctors, dentists and very senior managers. The remit group accounts for just under 1.5 million NHS staff (paybill c.£43bn) (stood down October 2023).

Chair of West Suffolk Council Remuneration Panel – The Independent Remuneration Panel plays an important role in advising the Council on the remuneration and expenses of its Councillors (stood down January 2023).

Non-Executive Director at Cambridgeshire Community Services NHS Trust (stood down February 2019).



Cathal Cusack (Council member of Regulatory Board, to 12 November 2024)

Cathal is the managing partner of Cusack & Co in Dublin, Ireland, a firm of Chartered Certified Accountants and Chartered Tax Advisors. The firm is a member of the MSI Global Alliance of accountants and lawyers.

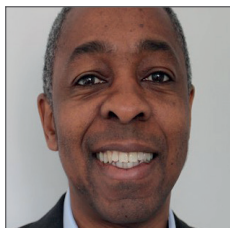
With over 30 years' experience in practice in both Ireland and the UK, his range of expertise includes advising individuals and business owners on the tax impact of decisions, tax planning for non-resident individuals, the financial and exit plans of businesses, acquisitions, disposals, succession, and retirement planning.

He is proud of the firm's history of training ACCA members and the success that has followed students who trained with him. He is a strong supporter of the ACCA mentoring programme.

He was a regulatory assessor for ACCA, has represented ACCA Ireland on several governmental committees, and has contributed to ACCA's Accounting and Business magazine.

Cathal was the recipient of the Accountant of the Year Award from ACCA Ireland in 2016.

Cathal is passionate about music and is deputy chairman of Music Network which makes live music accessible to communities while helping musicians develop fulfilling careers. He previously served on the board of Newpark Music Centre and successfully negotiated the transfer of its third level courses to Dublin City University.



Amin Dawuda (Lay member of Regulatory Board)

Amin is an experienced executive operating at board level in the private and public sectors.

He has held a number of senior leadership roles in financial services organisations, with over 20 years at London Stock Exchange Group.

This included guiding customer facing technology and operations teams, managing risk, compliance and change management in highly regulated capital markets. He also chaired a steering committee that oversaw the performance of LSE Plc's technology supplier, reporting to the Board and industry regulator.

Amin was vice chair of governors at a primary school, and vice secretary at a youth football club that serve his local community. He is committed to providing development pathways for young people and improving diversity and inclusion, particularly at senior levels within the workforce.



Professor Paul Layzell (Lay member of Regulatory Board and Chair of Qualifications Board)

Professor Paul Layzell is currently Chair of HFL Education, Deputy Chair of University Hospital Sussex NHS Foundation Trust and Vice-Chair of Plumpton College, East Sussex. Formerly, he was Principal and Vice-Chancellor of Royal Holloway, University of London and Deputy Vice-Chancellor of the University of London.

After completing a degree in Econometrics and Accounting and higher degrees in Computer Science, Paul became an academic at UMIST in Manchester. As a professor of software engineering and management, his academic work focused on the interaction between IT systems, organisations and people. After leading an EU project on software maintenance, he worked with colleagues on a BT-funded project looking at the future of software and authored one of the early papers on software-as-a-service and cloud computing.

Between 2001 and 2004, Paul was programme manager for the merger of UMIST and the University of Manchester and after a brief spell as deputy vice-chancellor at the University of Sussex, he came Principal and Vice-Chancellor at Royal Holloway in 2010.

During his career, Paul has maintained a close connection to education and assessment and for seven years was chair of AQA, the UK's largest GCSE and A-level exam board. He is a member of the World Academy of Sport Advisory Board and, as education adviser, has assisted the development of professional qualifications for the sports management industry.

Paul has wide governance experience having been chair of Eduserv – an IT services company for the education and wider public sector, chair of London Higher – the representative body of London's universities, a founding Board member of Jisc – an IT services company supporting further and higher education, and treasurer of Universities UK.

Paul is a keen gardener; he was appointed a deputy lieutenant of Surrey in 2017 and was awarded a CBE in 2022 for services to higher education and technology.



Oxana Losevskaya (Council member of Regulatory Board, appointed 12 November 2024)

Oxana is a partner and co-founder of SLPartners in Dubai (UAE), a company which provides corporate finance services to businesses. She has over 20 years of experience in investment, banking and consulting with global companies such as EY, Citibank and Glitnir bank. Oxana's expertise includes corporate finance, mergers and acquisitions, fundraising and strategy consulting.

Prior to joining the Regulatory Board, Oxana served on the ACCA Audit Committee for three consecutive years. Oxana has also been a member of the ACCA Global Sustainability Forum since 2021.

Oxana has been an ACCA member since 2011, and has chaired the ACCA Russia Network Panel and also served on ACCA's International Assembly from 2017 through 2020.

She speaks at finance conferences and universities as a finance expert and holds an MCom degree from Sydney University.

Oxana has lived, studied and worked in Australia, the CIS region, and the UAE, leveraging her unique perspective and deep understanding of cultural diversity and international business environments to enhance her contributions to the Council.

Oxana enjoys travel, walking, reading and studying other languages.



Bill Matthews (Lay member of Regulatory Board and Chair of Appointments Board)

Bill is a Chartered Engineer who began his career as a Test Engineer with Motorola in Scotland, before a number of years running technology businesses. He subsequently developed a portfolio of non-executive interests in a variety of areas, including seven years as Chair of the BBC Pension Scheme.

Bill currently sits as a lay panelist for the Nursing and Midwifery Council on fitness to practice hearings, and is Deputy Chair of Redress Scotland, the decision-making function in Scotland's Redress Scheme for those who suffered abuse in institutional care settings. He recently completed two terms as the Chair of the Scottish Criminal Cases Review Commission and three as the (longest serving) member of the British Transport Police Authority.

Bill holds an MBA alongside first degrees in Electrical Engineering, Psychology, and Humanities with Creative Writing.



Tom Spender (Lay member of Regulatory Board)

Tom Spender is currently the General Counsel for the Retail Bank of Lloyds Banking Group plc.

In his career, Tom has held senior positions at both regulated financial services firms and also at the UK financial services regulator. He has a legal background with over 20 years' experience in consumer protection, litigation, risk management, the use of data and regulation.

Prior to joining Lloyds Bank in 2016, Tom held various senior roles at the UK Financial Conduct Authority and its predecessors for over 13 years, including senior policy, enforcement and supervision roles.

Tom is a qualified solicitor and has worked in litigation and capital markets in international law firms in the UK and in Australia.

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THINK AHEAD

