

**"TOGETHER WE'RE
ENABLING A WORLD OF
SUSTAINABLE ECONOMIES"**



WHERE OUR PROFESSION MAKES A DIFFERENCE

**ICAEW
ANNUAL REPORT AND
FINANCIAL STATEMENTS 2021**



WHO WE ARE AND WHAT WE DO

The Institute of Chartered Accountants in England and Wales (ICAEW) is a chartered professional body and operates in the public interest under the terms of our Royal Charter, awarded to us in 1880, and the Supplemental Charter of 1948.

We strive to ensure our members and member firms maintain the highest standards of professional and ethical conduct.

We operate examinations that attract students to a globally-recognised premium qualification.

We invest in business development to attract quality students and ensure our examinations and training meet the needs of employers and the wider profession.

We support our members throughout their careers and professional activities.

We are a voice for the profession with governments, regulators, decision-makers and other key stakeholders.

"As an ACA and an ICAEW employee, I am proud of the work ICAEW is doing to encourage more diversity and inclusion within the profession."

Andrea Cook

Director, CPD & Events
Programming, ICAEW

We have a regulatory role in the UK which enables us to improve the professional standards of our members and member firms and protect the public interest. This role is carried out by our Professional Standards Department (PSD) and overseen by the ICAEW Independent Regulatory Board (IRB), whose primary objective is to act in the public interest. Our regulatory work is separated from our other activities so that we can monitor, support or take steps to ensure changes if standards are not met.

Andrea has recently been appointed Director, CPD and Events Programming



OUR HIGHLIGHTS

£141.4M

TOTAL INCOME

£33.7M

NET SURPLUS AFTER TAX

£120.2M

OPERATIONAL INCOME

£53.6M

SUBSCRIPTIONS AND FEES INCOME

£17.4M

EDUCATION AND TRAINING INCOME

£151.9M

NET ASSETS

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OUR STRATEGY AT A GLANCE



Read more: icaew.com/strategy

OUR VISION

ICAEW Chartered Accountants enable a world of sustainable economies.

Our global community can and should be a force for good, achieving prosperity in ways which are responsible and resilient. Our members measure, advise and assure with expertise and integrity, enabling the conduct of business on a fair, transparent and accountable basis.

This decade is critical and truly one of transformation. How we respond to the risks, trends and other powerful factors will largely decide the shape and role of ICAEW in 2030 – our 150th anniversary.

OUR STRATEGIC FOUNDATIONS

Our approach to strategy is built around three core pillars of activity, the strategic foundations, which seek to fulfil the obligations of our Royal Charter:



STRATEGIC FOUNDATION BELONGING & SUPPORTING

We support our more than 161,415 members across the world, personally and professionally. We do this through our faculties, communities and district societies, as well as the Chartered Accountants Worldwide (CAW) network.



STRATEGIC FOUNDATION EDUCATION & TRAINING

We are committed to educating the chartered accountants of tomorrow, with a focus on building future business and professional leaders. We work with universities, schools and other educational establishments to support recruitment activity for employers and our commitment to social mobility.



STRATEGIC FOUNDATION REPUTATION & INFLUENCE

We apply our expertise across a wide variety of topics relating to business, the profession and national policymaking. Our work in upholding standards is also crucial to protecting the public and holding our members accountable.

OUR STRATEGIC THEMES

Our high-level themes group together major new activities that we will undertake this decade to achieve our key strategic outcomes:



STRATEGIC THEME ONE STRENGTHEN TRUST IN ICAEW CHARTERED ACCOUNTANTS AND THE WIDER PROFESSION

In 2030, ICAEW Chartered Accountants will have a distinctive reputation for their integrity, expertise and commitment to the public interest. They will have earned and retained the confidence of enterprises, investors, regulators and governments and wider society, making them the most trusted sources of business advice.



STRATEGIC THEME TWO HELP TO ACHIEVE THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

In 2030, ICAEW will be acknowledged as having made a leading contribution to achieving the UN SDGs to end poverty, protect the planet and promote peace and prosperity around the world. We will have mobilised our own expertise and influence to address the challenges and enabled successful transformative action by governments.



STRATEGIC THEME THREE SUPPORT THE TRANSFORMATION OF TRADE AND THE ECONOMY

By 2030, ICAEW will be recognised as having helped to reset the relationship between economies and the communities they serve, supporting businesses while ensuring they operate to the highest standards of transparency and responsibility, and with proper consideration for the interests of all stakeholders.



STRATEGIC THEME FOUR MASTER TECHNOLOGY AND DATA

In 2030, in a world transformed by technological change, ICAEW Chartered Accountants will be more relevant than ever, due to a global reputation for understanding both the immediate effects and the wider potential of these changes, and for enabling economies, governments and businesses to adapt and thrive with confidence.



STRATEGIC THEME FIVE STRENGTHEN THE PROFESSION BY ATTRACTING TALENT AND BUILDING DIVERSITY

In 2030, significant and growing numbers of exceptional individuals from all backgrounds worldwide, will seek and retain membership of ICAEW. As access to the profession widens, our training will continue to demonstrate rigour, relevance and value to employers and members alike.

CHIEF EXECUTIVE'S FOREWORD



"At our core we are a people business, driven by our intellectual and relationship capital."

Michael Izza FCA
Chief Executive

The extraordinary environment of 2020 continued into 2021, and although some of our members and their organisations managed to operate effectively – and in some cases more efficiently, with the expedient digital transition of last year becoming 'business as usual' – others experienced very challenging years.

For most businesses, dramatic unpredictability, hardship and anxiety remained for most of 2021. Once again, ICAEW members were at the heart of ensuring that companies survived and recovered.

As you will read in this report, our institute has a great deal to reflect on with pride from across the year – the first full year of our 'Strategy 2030'.

One outstanding achievement was a record ACA student intake of 11,049. This marks a huge 18% increase on 2020, and 15% more than our previous global high in 2019.

This successful growth helped to boost our year-on-year operational income, to £120.2m. Our net result after tax was £33.7m, a healthy increase on 2020.

In recent years, we have also seen significant growth in our net assets, now standing at £151.9m. These strong financial foundations underpin our wider commitment to serve the public interest, equipping us to respond to fast-changing stakeholder expectations in a volatile external environment.

Money from Financial Reporting Council fines has helped strengthen our financial position over the last five years. Under the funding arrangements which apply in some cases, professional bodies are required to pay for the regulator's investigations in advance, and in return they get the money from any fines, if and when they are imposed. In one such case, relating to the Silentnight insolvency, ICAEW faced calls for the fines to be passed over to the associated pension fund. The ICAEW Board considered this matter in depth and concluded that such a donation would not be consistent with our role as set out in our [Royal Charter](#).

Like most organisations, there are times when operational conditions test us, and oblige us to re-think our approach.

In July 2021 we had significant technology issues with our ACA exam platform. This was unacceptable, and we apologise to all of those who were so seriously affected. Our students deserve better, and we will continue to do all we can to improve the exam experience.

Our [Business Systems Transformation \(BST\)](#) project to replace our back-office systems has been another major challenge, both in terms of duration and cost. The final phase has required additional investment, but when the new platform goes live in Spring 2022, it will strengthen our IT infrastructure, simplify our processes and allow us to realise our strategy.

For our staff and volunteers, operating remotely and via a hybrid working model has not always been easy, and we are looking forward to rebuilding some of our human and social capital from 2022 onwards. At our core we are a people business, driven by our intellectual and relationship capital. Our report reflects this by featuring some of the individuals that have helped our profession make a difference in 2021.

Looking ahead, we announced during 2021 that talks are underway with the [Chartered Institute of Public Finance and Accountancy \(CIPFA\)](#), to explore the potential for working more closely together in the future. The vision driving the discussions is the creation of a single strong federated professional accountancy body, with truly global reputation and reach, and equipped to serve the public interest across all areas of economic activity, including the enterprise, public and third sectors.

As we emerge from the pandemic, I want to thank our members, students and employees for their continued commitment and versatility through difficult and uncertain times. Russia's invasion of Ukraine has delivered yet another profound global shock, the consequences of which – in terms of human suffering and political and economic turmoil – can hardly be foreseen. Vigilance, resilience and flexibility will continue to be our watchwords in 2022.

Michael Izza FCA, Chief Executive

MESSAGE FROM THE PRESIDENT

My presidency began shortly after the most sustained lockdown of the pandemic in the UK. It will conclude as many countries and societies cautiously resume normal life. I have therefore witnessed a whole spectrum of working approaches, as well as the admirable adaptability displayed by so many of us.

More recently, I have been delighted to begin meeting our members and students in person once again – hearing their stories, acknowledging their achievements and learning what they value in their institute and where we could be doing more. The benefits of this face-to-face contact simply cannot be replicated over a computer screen.

One of my biggest priorities has been to promote our strategy, and the strategic foundations and themes which lie at the heart of it. This report illustrates how we are working to deliver these objectives and sets out many of the activities and developments that have happened during 2021 in our journey towards them.

Despite adverse conditions, ICAEW has made significant progress on many fronts and this progress is continuing. During 2021 our CEO Michael Izza has restructured the organisation to better address our strategy; and our membership continues to grow. There is always room for improvement and we are well aware of what still needs to be done; but in terms of its infrastructure, member services, organisational, technical and other resources ICAEW is arguably a better and more effective institution than ever it has been. [Our business systems transformation project](#) should further improve our competitiveness.

Our record intake of new members means that we are building a pipeline of finance leaders for the future, while our increased global reach through virtual events means that we are connecting with larger audiences and spreading our influence further than ever before. Through new technology, our interaction with members – and especially members internationally – is much enhanced. In terms of member cohesion, this period may prove to be the making of us.

This annual report also shows that our financial position is strengthening. This has not changed, nor will it change, our culture or priorities. Please be assured that every part of our resources, no matter where they come from, will continue to be applied in accordance with [our charter obligations](#) and in the public interest.

I would like to sincerely thank everybody who is supporting me in my role. Throughout my time here, I have sought to represent the incredible work of our members, our organisation and our profession across the world. It is an honour to be doing so.



William Brooks FCA, President

“Despite adverse conditions, ICAEW has made significant progress on many fronts and this progress is continuing.”

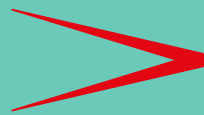
William Brooks FCA
President



STRATEGIC FOUNDATION

BELONGING & SUPPORTING

We support our members in all facets of their professional lives, to enable them to act in the public interest and to add value to economies around the world.



"ICAEW is a globally recognised qualification, but it is so much more than that ... it unlocks continuous value, professional growth, and success."

Brian Li FCA
Co-Chief Executive,
The Bank of East Asia, Limited

161,415

MEMBERS

2%

INCREASE
YEAR ON
YEAR

Brian is an 'ICAEW
ambassador' in
Hong Kong

As in 2020, our member support functions proved critical to our members and students, as the extraordinary circumstances created by the COVID-19 pandemic continued. We continued to guide members through technological and regulatory changes, and expanded our support in areas such as sustainability and equality, diversity and inclusion. We want to help others contribute to a global recovery that is fair, sustainable and inclusive.

ICAEW COMMUNITIES

ICAEW Communities bring people together, providing information, insights, guidance and networking opportunities tailored to a wide range of industry sectors and professional specialisms. They serve as a key resource of support for thousands of members and non-members alike.

Growth

We welcomed 60,243 new subscribers into our communities during 2021 – a 52% increase from 2020. At the end of 2021, the total membership of our communities stood at 176,505.

We continued to deliver highly successful virtual events throughout 2021, which attracted larger audiences than ever from around the world.

New communities

We launched the *Black Members Community* with the aim of promoting Black talent in the profession and to support and develop our existing Black members and students throughout their careers.

We know that small businesses play an essential role in the global economy and will continue to be at the heart of the global recovery. So, the *Small and Micro Business Community* was launched in November, supporting chartered accountants who are working in, and with, start-ups and scale-ups. In less than two months, this new community had already attracted more than 1,000 members.

VOLUNTEERING

We champion *volunteering* and encourage our members and students to offer their world-leading knowledge, skills and ethics to give back and help strengthen the not-for-profit sector.

Many ICAEW members and students generously volunteer their time to help other individuals and organisations.

Our volunteers serve as chairs, treasurers, governors, trustees, and in a wide range of other positions. Sitting on boards and committees, they bring their expertise to areas where it might otherwise be lacking or difficult to resource. Some volunteer independently in their own right, but many do so directly through ICAEW.

In 2021, around 30,000 ICAEW members undertook around 35,000 voluntary roles.

Our website, *ICAEWVolunteers.com*, has been connecting charities with finance professionals looking for volunteer roles for eight years.

Our *Volunteering Community*, which is open to all to join, provides tools and information to help our members, students and others with their volunteering activities.

Trustee training

Our *trustee training modules* support those who undertake roles as charity trustees, providing guidance and advice on the legal and financial responsibilities of trustee roles, together with strategic and operational considerations.

In 2021, we made these modules free to access for all and expanded the depth of content – including introductory video presentations to each module with printable slides that viewers can take away and share with others.

We have also updated existing content, including additional information on diversity and inclusion requirements.

ICAEW Volunteers

Our members and students also play a vital role supporting ICAEW's own activities and bringing their expertise to all areas of our institute around the world.

We estimate that during 2021, our members and students volunteered around 18,000 hours of their time in local groups, such as our student and district societies, helping connect chartered accountants to the businesses and communities they serve.

Others take a more active role in shaping the future of ICAEW through involvement in [Council](#) and on our [boards and committees](#). Their technical insight and guidance enhances our influence in public policy and our reputation across the profession and beyond. Some also help strengthen the profession by sharing their experiences to attract the next generation of talent.

Our [ICAEW student societies](#) are groups of trainee chartered accountants, operating across the UK and internationally. Each student society is run by a committee made up of ACA students, volunteering their time to provide local support, events and networking opportunities.

In 2021, we inaugurated our Singapore Advisory Board (SAB), a volunteer advisory group which will advise and support the local office to implement our strategy in Singapore. The board is chaired by [Dr. Ernest Kan, ICAEW Council Member](#) for South East Asia.

ICAEW Support Members Scheme

Our members often face enormous pressures in their roles. These could be short-term pressures pertaining to specific problems, or longer-term difficulties in adapting to new ways of working or changes in their personal or professional lives.

To help them deal with these challenges, we operate a [Support Members Scheme](#).

In place for 27 years and staffed by volunteer members, the scheme provides free, confidential and non-judgemental support

to hundreds of ICAEW Chartered Accountants in difficulty every year. It is based on the premise that talking through your problems with a fellow chartered accountant can often make your problems more manageable.

Our volunteer support members offer advice and signpost resources on a wide range of topics, or just provide a listening ear to those in need. Case studies and helpsheets are also available to assist members in difficult situations.

UK REGIONS AND DISTRICT SOCIETIES

Our [UK Regions team](#), working closely with the district society volunteer networks, serves as the local face of our organisation and one through which our members access much of our support.

Regions and district society volunteers offer a wide range of events, initiatives and support to members locally, and ensure the delivery of ICAEW's strategy regionally.

Events and activities

In 2021, we worked in collaboration with the district societies to run 1,062 regional and local events across the UK. We engaged with almost 29,000 delegates, an increase of 35% on 2020 attendance figures.

We held some physical events over the summer, but the majority of activity continued to be delivered in a virtual format, both live and on-demand. This meant that we were again able to widen our geographical reach, with some members engaging with ICAEW activities for the first time, removing the logistical barriers to engagement and bringing activities to new audiences.

Working with [ICAEW Communities](#), and in line with regional and local strategy, events and initiatives were held for members advising and operating across a wide range of sectors, including aerospace and defence, charity, environmental, exports, farming, financial services, legal, retail and tourism.

ICAEW Essentials CPD Programme

Our *2021 Essentials CPD Virtual Programme* focused on core technical topics and was made available via live and on-demand sessions.

Compared to 2020, the programme saw a:

- 50% increase in the number of courses delivered
- 12% increase in delegate numbers.

The programme is now a chosen CPD provider for 17 of the 23 UK district societies.

Featuring fully revised content and brand-new courses, our *2022 programme* has now been launched and is open for bookings.

Pandemic Perspectives

Our UK-wide *Pandemic Perspectives* virtual programme, launched in 2020 in response to the COVID-19 pandemic, continued in 2021 with a further series of insightful interviews with finance leaders from organisations including BAE Systems, Marston's Brewery and Deloitte.

These informal and frank discussions, held live and subsequently made available via on-demand, focused on how senior finance leaders, their teams and the wider organisations have been impacted by the pandemic, and how they have reacted to it. In 2022, the series will reflect on post-COVID recovery.

Career stage support

UK Regions, working with the district societies, continued to focus on supporting the needs of our members throughout their careers.

The pandemic has seen a sharp increase in the need for support across all member groups. Throughout 2021, programmes of events were arranged across the UK for early career stage members, supporting them in their professional development and providing social engagement. These included *Being More Effective in Change*, *Learning to Lead*, *Owning my Career Path* and *Managing my Wellbeing*.

Retired member events have also moved to a virtual environment and have been well received, and more accessible for those in remote geographical locations. The fully virtual Life Member afternoon tea programme for 2021 saw members, hosted by then-ICAEW President David Matthews, touring Rome, Venice and the Guggenheim, New York, with official tour guides.

Regional roundtables and policy

In response to key government consultations and policy reviews, and working closely with ICAEW's Reputation & Influence team, UK Regions held a series of roundtables with local members, their practices and businesses. The objective was to provide them with a forum to voice their opinions, an opportunity to contribute to ICAEW's responses and, ultimately, to feed into central government strategy from a regional perspective.

More widely, UK Regions has also been instrumental in gathering members' insights and feedback to inform ongoing conversations with policymakers and regulators at the highest levels of local, regional and UK government.

Regional economic insight

ICAEW's *Business Confidence Monitor™ (BCM) regional reports*, which analysed the ongoing impact of COVID-19 on regional economic outlooks, were well received during the year.

The reports secured wider coverage with regional and local business media than in previous years, raising awareness of our insights among regional business networks and other stakeholders.

They also provided the content for a series of UK-wide summits, events and roundtables, arranged in partnership with the UK district societies. These sessions examined the effects of the pandemic on local economies and key sectors and were well attended by members from across industry and practice.

Kickstart Scheme online portal

In March, UK Regions launched a pilot, in partnership with The Growth Company, of an online portal to support the rollout of the UK Government's Kickstart Scheme.

The pilot was aimed at identifying opportunities for eligible 16-24-year-olds in the North and North West regions, securing them valuable work experience and essential employability skills against a backdrop of a challenging local job market.

The Kickstart Scheme grant, announced in 2020, creates six-month paid work placements for young people at risk of long-term unemployment as a result of the COVID-19 pandemic. The launch event, held virtually, attracted delegates from accountancy practices and businesses employing staff in finance roles located across both regions.

ICAEW LIBRARY 150TH ANNIVERSARY

The *ICAEW Library & Information Service* celebrated its 150th anniversary in 2021.

The library predates ICAEW by almost a decade and was originally set up by the Institute of Accountants in 1871.

We marked the occasion in various ways, including a *video feature* with our head of curation and a *feature article* on ICAEW Insights. The Members' Room in Chartered Accountants' Hall, which originally housed the library, was also refurbished.

After 18 months of closure due to the pandemic, we were pleased to resume an in-person library service from September.

During the site's physical closure, the *library enquiry service* continued to provide its services remotely, primarily responding to

member requests via email and webchat and offering a limited postal loan service. In August, we were able to reintroduce the telephone helpline, implementing a new remote access telephone system. 6,735 enquiries were handled during this period of remote working.

Across the year, the team handled 9,912 enquiries, a year-on-year increase of 2.5%.

Demand for the library's client screening service continued to increase. The service enables members to have individuals and entities checked against global risk and compliance data, to help inform risk assessments. The service received 5,455 requests in 2021 – 12% growth over 2020.

The library continues to offer a range of digital services and is currently developing a digital archive of ICAEW publications, which grew by 10,000 items in 2021.

BRINGING MEMBERS TOGETHER

Our programme of events and webinars continued at pace during 2021, with 169 community webinars and conferences, attracting over 46,000 attendees.

Our wider UK-based conference programme, including our Valuations Conference, Financial Controllers' Conference and Solicitors' Conference, attracted 763 delegates overall.

Members in **Australia** connected virtually with the UK's new Consul General and Deputy Trade Commissioner (Australia and New Zealand). She shared her goals for the next four years, the opportunities for trade and investment under the UK-Australian Free Trade Agreement and digital initiatives between the UK and Australian tech sectors.

We also held a series of online mentoring sessions with ICAEW Captains of Industry. Younger members from our **Middle East, Africa and South Asia (MEASA)**, **Greater China and Southeast Asia (GCSEA)** and **Australasia** regions joined to hear leadership insights from world-renowned members in hospitality, shipping, aviation, retail, real estate and practice.

Our **MEASA** and **GCSEA** regions jointly hosted our second International Economic Forum. The event covered the economic outlook for the Middle East, Southeast Asia and Greater China regions with a focus on sustainable economies, presented by the Chief Economist at Oxford Economics Middle East.

Our first **pan-African** event took place for ICAEW members and students, and other national accounting bodies across Africa. This event focused on how technology is transforming the profession on the continent and featured a discussion with a panel of local finance leaders. Members of other bodies in attendance included those from ICAG (Ghana), ICPAK (Kenya), ICAN (Nigeria) and ICAZ (Zimbabwe).

We established the **Cyprus** Younger Members Committee, with members spanning practice and business. The committee's inaugural event, held in October, focused on the topic of authentic leadership and was attended by ICAEW members HE Natasa Pilides, Minister of Energy, Commerce & Industry, and Evgenios Evgeniou, CEO of PwC Cyprus.

COMMUNITIES EVENTS

Personal Financial Planning Community: delivered 27 webinars and other virtual events, generating over 17,000 sign ups.

Practitioner Business Advisers Community: delivered nine virtual events and training workshops, generating more than 6,000 sign-ups.

Small Practitioners Community: delivered 18 events, leading to more than 5,000 new members joining the community during the year.

ICAEW VIRTUALLY LIVE

In 2021, for the second year running, our annual flagship conference, *Virtually Live*, took place, receiving 2,256 registrations.

Held as an entirely virtual event, it brought together our members, students and communities with experts from a wide range of

technical, business and pastoral backgrounds.

The theme for this year was 'Future focus', helping delegates consider how the pandemic will shape businesses, practices and career paths in the years ahead.

The programme covered a huge

range of topics across two days, including audit, financial reporting, career and personal development, technology, sustainability, tax, and talent and diversity.

Keynote speakers included Julie Brown (CFO of Burberry), Sir Jon Thompson (CEO

of the FRC) and Lord Karan Bilimoria.

The event is free for all ICAEW Chartered Accountants, students and members of our communities. All sessions are still available on-demand, and the full programme can be accessed [here](#).

STRATEGIC FOUNDATION

EDUCATION & TRAINING

We are committed to educating the chartered accountants of tomorrow, with a focus on future business and developing sustainable cohorts of professional leaders.

"The great thing about chartered accountancy is that you can go into almost any field - you'll never run out of opportunities."

Ashwini Poopalasingham
Junior Auditor and
ACA student

33,958

STUDENTS

7%

INCREASE
YEAR ON
YEAR

Ashwini features in
'My ACA journey'
Student Insight series



Despite challenges posed by the pandemic, we grew our sustainable pipeline of ACA students by more than 11,000, a year-on-year increase of 15%. We continued to ensure that all students were fully supported in taking up, studying and completing our qualifications.

We continued to develop our qualifications, implementing fundamental enhancements to the ACA.

We also expanded our work to ensure that all routes to ICAEW membership remain open, attractive and accessible to all.

DEVELOPING OUR QUALIFICATIONS AND SUPPORTING OUR STUDENTS

ACA

Our [ACA qualification](#) is one of the most advanced learning and professional development programmes in the world. It is valued globally across business, practice and the public sector.

Early in the year, the first stage of our 'Future ACA' project was launched. This centred around integrating technology into the ACA and included the development of a new exam platform to improve functionality and delivery, introducing data analytics software into exams, designing learning materials for digital delivery, and further embedding ethics and technology content into the syllabus and exams.

We communicated with our students throughout the process, including via three well-attended webinars, supporting them through the changes.

In September 2021, we launched the second phase of the project, adding spreadsheet functionality to the 2022 exams, and building on the data analytics aspect already introduced. As part of the launch, we created 18 introductory videos on basic spreadsheet functions, as well as dedicated resources and updated learning materials.

Key changes to the ACA syllabus in 2021 included:

- an enhanced focus on anti-money laundering;
- further content on sustainability and climate change;
- re-introduction of statistical underpinnings to support students in the questioning of data analytics output; and
- continued development of professional scepticism by students via content and style of exam questions.

Our virtual [ICAEW Bookshelf](#) feature provides instant access to study manuals, study guides, syllabus details and skills and knowledge grids – on any device, whenever and wherever. The digital format allows students to adjust the screen colour, zoom to their preference and use the 'text to speech' or speed reader options to study in a way that best suits them.

The move from printed ACA learning materials to digital delivery is saving 262 tonnes of paper per year.

Exam support

Throughout 2021, we continued to support students in the lead up to exams via email and social media. The launch of the [Exams Systems Status](#) page in 2020 proved popular and became the go-to place for updates in 2021, receiving more than 47,000 page views across the year.

New exam resources across all ICAEW CFAB exams as well as the ACA Certificate, Professional and Advanced Level exams were produced, in collaboration with our Partners in Learning. The resources introduce each exam to students, provide tips for success and guidance should they need to retake an exam, and offer a dedicated webinar on each exam.

New exam platform challenges

From 2015, the Professional and Advanced Level exams were phased onto an online platform, to help replicate the workplace. The Case Study was the final exam to be migrated in July 2019. The technology (Adobe Flash) for these exams ceased to be supported at the end of 2020 and a new platform was sourced for all exams from March 2021 onwards.

We had planned to introduce the ability for students to sit their exams via remote invigilation in 2023/2024, but as a result of the pandemic, to enable students to remain on their exam pathway, remote invigilation was introduced in 2020.

In 2021 we developed and tested the new exam platform, redeveloped remote invigilation for use on the new platform, developed and delivered digital learning materials and enabled access to the data analytics software in the Audit and Assurance and Corporate Reporting exams.

As a result of lockdown, all UK exams were delivered remotely in March 2021.

The new platform was introduced against the backdrop of the pandemic and associated restrictions, with no option to delay due to the expiry of the technology underlying the old platform.

The new platform was tested as robustly as possible, given the restrictions, before launch. Some issues were initially experienced with the new data analytics software, but these were resolved within the first three months.

Regrettably in July, we experienced some fundamental issues, primarily affecting the Case Study exam. The size and sophistication of the July Advanced Level exams overwhelmed the platform, with servers unable to process simultaneously all the required data through the cloud. Unfortunately, this resulted in the

Case Study exam being paused 30 minutes before the end for more than 960 students, as well as causing issues in other exams.

We are extremely sorry to all of those affected: this is far from the experience we want to deliver or that our students deserve.

We worked with our examiners, markers and the regulator to compile an assessment strategy, to ensure those students that had been affected were not penalised.

We commissioned an external review immediately – of both the technical issues and our end-to-end business processes – and have since worked collaboratively with our exam delivery partners to deliver and test fixes for the system problems identified. This resulted in successful exam sessions in September, November and December.

We have also implemented new processes for both internal and external communications. This includes a new internal process to ensure that key information can quickly reach teams who directly support our students, employers and tuition providers. It also includes regular updates throughout live exams and more opportunities for students, employers and tuition providers to interact with us directly through webinars and live briefings. We have also widened our internal support team in order to resolve live issues for students more rapidly.

We are still working to resolve an issue for remote invigilated exams, which we highlighted to students before the November exam session. We secured additional capacity at our assessment centres and encouraged those students booked via remote invigilation to transfer to an assessment centre, to ensure the best possible experience. We continue to investigate, review and test the software to ensure that students and all stakeholders have the high-quality exam experience expected from ICAEW.

The issues experienced in July will have added significant pressure for students, at a vital time in their career journey and the experience simply wasn't good enough. We continue to do everything we can to improve the experience.

Student dashboard

At the end of June 2021, we launched a new student dashboard, providing students with direct access to their training file, and the ability to book an exam, go to their ICAEW Bookshelf, access support and receive notifications.

Student Insights

[Student Insights](#) remains popular with ICAEW CFAB and ACA students, receiving more than 50,000 page views in 2021. It includes interviews with students and articles on a diverse range of topics such as motivation, time management, retaking exams and how the ACA can benefit your career.

Celebrating success

Top-performing ICAEW students from around the world celebrated their exam success at a remote prizegiving ceremony in May. The live virtual ceremony recognised the achievements of students who studied for the ICAEW CFAB and ACA qualifications and the Level 4 Accounting Technician Apprenticeship in 2019 and 2020. In total, 278 awards were achieved by 215 prize winners from nine countries.

ATTRACTING AND BUILDING FUTURE TALENT

Global Employer Conference

In May, we held our inaugural [Global Employer Conference](#) to discuss the key challenges and opportunities facing employers. Joined by 50 panellists from across the globe, topics included recruitment trends, mental health and wellbeing, technology, sustainability and inclusive recruitment.

Across three days there were 14 sessions and seven hours of panel discussions, with more than 650 people from 28 countries joining live. All sessions are still available to view on-demand and blog content was created to share insights from the event.

Virtual Global Skills Conference

Our second [Virtual Global Skills Conference](#) was held in September, featuring speakers from across the world offering their insight on skills and career development. The event received over 4,900 registrations from 11 countries – a 30% increase from 2020.

Work experience

During the UK Easter and summer holidays, we ran two virtual work experience weeks for Year 12 students (S5 in Scotland), providing them with a chance to explore the career options available within accountancy. In addition, we also facilitated virtual internships with Moore Kingston Smith.

ICAEW student recruitment marketing

Our 2021 student recruitment marketing campaign generated 3.5m impressions and a 45% increase in traffic to our [Find your Route](#) webpage compared to 2020. The audio ads, designed to increase brand awareness, aired on Spotify and YouTube and generated almost 1m impressions.

We also established new channels, launching our first ever TikTok campaign in partnership with three carefully chosen influencers. This resulted in over 2m views and an organic engagement rate of 16%, which is 10% higher than the average rate for the platform.

Our graduate brochure won the Times' 'Best Graduate Recruitment Brochure' award and 'Best Print Collateral' at the Recruitment Marketing Awards, beating McLaren Racing and BP.

ICAEW PATHWAYS

Our [Pathways to Membership](#) scheme allows fully-qualified members from certain professional bodies to apply for ICAEW membership based on their experience.

Although the UK continues to be the largest single Pathways market, global Pathways submissions have increased by 77% since 2018, with a third of these coming from the South Asian region. We have now welcomed candidates from over 30 countries who work across a range of accounting and finance areas.

In 2021, we welcomed 541 new members into ICAEW via our Pathways route, which is a 60% increase from last year. This significant growth has mainly been driven by an increase in submissions from Pakistan, India and the Middle East.

AGREEMENTS AND COLLABORATIONS

In 2021, 856 new members joined ICAEW via our [reciprocal membership agreement with the Hong Kong Institute of Certified Public Accountants \(HKICPA\)](#).

We signed a Memorandum of Understanding with the Institute of Chartered Accountants of **Nepal** (ICAN), extending our recognition agreement to allow their members to join ICAEW via the top-up exam route.

We established strategic partnerships with Singapore Management University (SMU) and City Academy (PIL) in **Singapore**, and University Malaya (UM), University Sains Malaysia (USM) and Multimedia University (MMU) in **Malaysia**. These partnerships offer students with, or studying towards, an academic qualification unique options and pathways towards ICAEW qualifications.

In **Mauritius**, we launched the [PwC Flying Start](#) programme, beginning February 2022, in collaboration with PwC Mauritius and Curtin University. Recruited students will complete a four-year degree in BCom Accounting and Finance while gaining paid work placements at PwC. The programme will run annually, attracting talented students and providing us with a strong pipeline of future members.

ICAEW was awarded the contract to review a new education scheme for the Institute of Chartered Accountants in **Pakistan** (ICAP).

In **Sri Lanka**, we continued to grow the Joint Student and Membership Scheme together with the Institute of Chartered Accountants of Sri Lanka (CASL). The largest firms have endorsed the scheme and invited us to promote this route to their CASL trainees via a series of webinars. Since launching the scheme in 2020, we have increased student numbers five-fold. Many students are now eligible to sit exams and are expected to be eligible for joint membership by 2023.

We continue to work with the Institute of Certified Public Accountants of **Greece** (SOEL) on qualifications to enable ACA training to continue in Greece post-Brexit.

We took steps to secure ACA admission to the Institute of Certified Public Accountants of **Cyprus** (ICPAC) and access to audit rights in Cyprus as part of a transitional arrangement post-Brexit, pending a permanent solution.

In **Bulgaria**, we introduced an ACA Student Scholarship Programme for the top-scoring accountancy students at two universities - University of National and World Economy (UNWE) and Sofia University. This will help develop a strong pipeline of ACA students for Bulgarian firms.

We also signed a memorandum of recognition with the Institute of Certified Public Accountants in Bulgaria (IDES), allowing ACA students exemptions towards the local qualification.

We remain very keen to secure a mutual recognition agreement with US IQAB, representing US CPAs. Work continues on this, including understanding how the US qualification is evolving under its new syllabus for 2024.

EVENTS

In **Indonesia**, we hosted lectures for hundreds of accounting students at both the University of Indonesia and Parahyangan Catholic University, on the topics of safeguarding against cyber threats and how future professionals can mitigate climate change respectively. Also in Indonesia, we held a joint career webinar in collaboration with Universitas Brawijaya, which was attended by close to 1,000 accounting students from Indonesian universities.

We continued to host our annual work placement event in **Malaysia**, which saw 100 students meeting up with our top 15 employers to secure training agreements and internships.

Our annual **China** and **Southeast Asia** Business Challenge continued virtually and was attended by students, Partners in Learning and staff from leading universities across the region.

In **Singapore**, we hosted seven local Business Case Challenges at top universities and polytechnics with the support of members and Authorised Training Employers, attended by more than 1,300 accounting and business students.

Excel training sessions were held which attracted hundreds of students and younger members based in the US, UK and MEASA and GCSEA regions.

ICAEW FOUNDATION

Our members' charity, [ICAEW Foundation](#), continued to change lives in 2021.

The Foundation supports the next generation of professional chartered accountants by providing bursaries to talented young people from low socio-economic backgrounds.

Bursary programmes

Since inception, [ICAEW Foundation's Changing Futures](#) bursary programme has funded 61 undergraduate students of accountancy and finance in universities across the UK, and in Hong Kong and Cyprus.

Our [Building Futures](#) bursary programme, for students of new professional accountancy qualifications in Malawi, Ghana, Cambodia and Lesotho, has allocated funds for 120 bursaries.

New bursaries

We announced new bursaries for talented students from financially challenged backgrounds to undertake accountancy and finance degrees with 10 universities:

- Alliance Manchester Business School
- Birmingham City University
- City University
- London South Bank University
- PA College in Cyprus
- Queen Mary University
- Royal Holloway University of London
- The Chinese University of Hong Kong
- The University of Lincoln
- University of Bristol.

Mentoring programme

This year we extended our UK-based study, career and wellbeing mentoring programme, [Mentoring Matters](#), to students who applied for but were unsuccessful in obtaining one of our bursaries. The programme aims to support each individual student's wellbeing and help them on their study journey, as well as offering them future career advice and guidance. It is run in conjunction with Deloitte and has received extremely positive feedback since its launch in 2019.

Other developments

In 2021, [ICAEW Foundation](#) became a member of the [Association of Charitable Foundations](#) and a signatory to the [Funder Commitment on Climate Change](#).

We also funded the purchase of laptops for students of the ICA Malawi qualification, to avoid digital exclusion and give them the best opportunity to access study materials and undertake exams online.

Read more: Hear about the difference the Foundation has made to students around the world and how you can donate at icaew.com/foundation

STRATEGIC FOUNDATION

REPUTATION & INFLUENCE

We seek to influence globally across business and professional activity in areas where our voice can make a substantive contribution.

"A greater public interest orientation in corporate reporting and auditing recognises that limited liability is a privilege - granted by society."

Dr Yasmine Chahed

Visiting Research Fellow, Alliance
Manchester Business School

65+

PROJECTS IN
30+ COUNTRIES
SINCE 2007

Yasmine has worked with us on our response to the UK Government White Paper on audit reform. She was also a member of the Brydon review team



The knowledge, skills and ethics of ICAEW Chartered Accountants continue to underpin economies around the world. Our members moved from protecting and sustaining businesses in 2020, to playing a key role in their recovery as societies began to re-open during 2021.

We continued to exert our influence in the public interest, informing and guiding public policy and helping others to identify and understand emerging challenges and opportunities.

PUBLIC POLICY

Ministerial and parliamentary engagement

Throughout 2021, we continued to represent the views of our members at the highest level.

As the economic recovery began, we discussed business support with UK Government ministers, sharing our members' experiences. This included meetings with the Prime Minister, the Business Secretary and the Minister for Investment. We also held virtual parliamentary events involving ICAEW member MPs.

We continued to provide evidence to parliamentary select committees. Members of our Tax Faculty gave oral evidence to the Treasury Select Committee regarding the economic impact of COVID-19 and the future of the tax system post-pandemic, as well as to the Lords Economic Affairs Finance Bill Sub-Committee on basis period reform and notification of uncertain tax treatments.

Brexit

As the UK formally left the European Union at the end of 2020, new rules came into effect at the beginning of 2021.

We continued to update our [Brexit hub](#) to help members navigate the changes in trade, regulation and other areas, receiving high levels of engagement on important topics which required clear messaging and guidance.

Articles and guides on tax, customs processes, supply chains, cashflows and financial reporting were uploaded to the hub throughout the year as the situation developed and new challenges emerged.

UK Government Trade Advisory Group

Our Chief Executive, Michael Izza, was invited by the UK Department for International Trade to join the Trade Advisory Group (TAG) for professional advisory services.

Each TAG covers a specific sector of the economy, with a purpose to provide ministers and officials with ready access to strategic and technical expertise to support the UK Government's global trade negotiations.

On the professional advisory services TAG, Michael sits alongside senior leaders from large legal and accountancy firms, the UK Law Societies, the Bar Council, the Royal Institute of Chartered Surveyors, the City of London Corporation and the ACCA. Topics covered by this TAG during 2021 included the free trade agreement with the EEA EFTA states and the UK-Singapore Digital Economic Agreement. Within the forthcoming free trade agreements with Australia and New Zealand there are significant provisions for professional services, and the TAG has been tasked with considering routes to the mutual recognition of professional qualifications.

Professional Qualifications Bill

Following publication of a new proposed framework for UK recognition of global professional qualifications, which has the potential to impact how our members are regulated, we supported members of the House of Lords in scrutinising the draft Bill.

We also engaged with the Department for Business, Energy and Industrial Strategy (BEIS) specifically on strengthening regulatory autonomy and consultation within the legislation, with government amendments introduced at the Bill's Report Stage in the House of Lords.

This legislation affects us in our role as a regulator, for Public Interest Entity and local audit, insolvency, probate and administration of oaths.

We have also discussed with government, opportunities to leverage the Bill to improve the process for agreeing Mutual Recognition Agreements with peer institutes around the world.

National Security and Investment Act

In December, we hosted the launch of the UK Government's National Security and Investment Act at Chartered Accountants' Hall.

The Act marks a step-change in the regulation and conduct of many merger and acquisition, private equity, infrastructure investment, venture capital and capital markets transactions involving UK businesses, across 17 specified industrial sectors.

With government estimates that up to one-third of deals could be affected, it is hugely relevant to our members, in particular our 30,000 members involved in corporate finance transactions.

The launch event featured a keynote speech by Lord Callanan and was the culmination of our Corporate Finance Faculty's work on this important piece of legislation.

Throughout the year, we have continued to engage with BEIS on the passage of the Bill through Parliament, meeting with ministers, sharing our members' views and joining the department's National Security and Investment Expert Panel.

Making Tax Digital (MTD)

The policy framework for [MTD](#) relating to income tax self-assessment (ITSA) is now law. However, we are pleased to report that following our considerable consultation and discussion with HMRC and others, the start date has been put back to April 2024 to allow time for a more considered implementation.

We continue to call for changes to the requirements of [MTD](#). While we support digital record-keeping, we remain opposed to mandatory quarterly reporting, on the basis that for many businesses it will add to their costs and administrative burden, with little or no benefit.

Our [Tax Faculty](#) meets regularly with HMRC to discuss developments and met with the Financial Secretary to the Treasury to explain our concerns.

Tax administration framework review

We [responded](#) to the initial call for evidence to HMRC's 10-year review of tax administration.

As part of this, we identified three fundamental building blocks that must be put in place to underpin tax administration and facilitate wider future changes:

- A single identifier for individuals – the Office of Tax Simplification has suggested extending National Insurance numbers to all that require them to interact with the tax system.
- Registration, authentication and authorisation of agents – HMRC needs funding to develop a single system for registering, authenticating and authorising agents to provide a firm base for developing digital services for agents and to facilitate its work on agent standards.
- Establish Income Tax, National Insurance contributions and Capital Gains Tax liabilities in a single system to support a single view of liabilities.

The UK Government subsequently published a summary of responses in November, promising a roadmap for future consultation to support incremental reform. We expect further discussion on these issues as the timetable emerges.

Tax Faculty lectures

Two set-piece lectures – held by our Tax Faculty – during 2021 debated forward-looking changes to the tax system:

[The Wyman Symposium 2021](#) – examined perspectives on changes to the end of the tax year, attracting 264 registrations.

[The Hardman Lecture 2021](#) – focused on *Tax and Technology: Opportunity, Threat or Big Brother?* The lecture attracted 382 registrations.

UK Government Budget Statements

Ahead of both the Spring and Autumn Budget Statements, our Chief Executive, Michael Izza, wrote to the Chancellor of the Exchequer.

In his [autumn letter](#), Michael highlighted the role of ICAEW and our members as trusted partners in creating local prosperity, driving social mobility and delivering the government's levelling up and net zero ambitions.

This was accompanied by submissions from our Public Sector team to the Chief Secretary to the Treasury, and from our Tax Faculty to the Financial Secretary to the Treasury.

All our reactions to and analysis of the Autumn Budget can be found in the dedicated [Autumn Budget 2021 ICAEW Insights hub](#).

Party conferences

In 2021, we had physical representation at both the Conservative and Labour conferences, which provided some of the first opportunities since 2020 for face-to-face meetings with key stakeholders.

We also attended the Liberal Democrat conference, which took place virtually.

THOUGHT LEADERSHIP

Our [thought leadership](#) tackles existing issues in new ways and addresses emerging ones imaginatively, to inform and engage our members and the wider business community.

We seek to raise challenging questions, drive discussion and express informed opinion on the big issues that matter to everyone, but which also hold specific relevance to the accountancy profession and align with our strategy.

The content is delivered in a variety of ways, including videos, blogs, webinars, podcasts, reports, and representations at conferences and workshops.

During the year we developed a new [thought leadership hub](#), bringing together our work in one place.

Some of the 2021 highlights include a roundtable debate exploring [Maintaining an Ethical and Supportive Culture During Remote Working](#); an examination of *The Impact of Hybrid Working on Control Environments and Firm Culture*, our report, [Developing a Meaningful Audit and Assurance Policy](#), and our [Information for Better Markets Conference](#), which this year explored areas of financial reporting that have been put in the 'too difficult' box and asked what the next big accounting issues could be.

We also launched our [Environmental, Social and Governance \(ESG\) risk webinar series](#).

This series examines the risks and opportunities of environmental, social and governance issues in financial services. Topics include understanding planetary health through to risk modelling and management, data complexity and relevance, and the assurance of reported ESG information.

CAPACITY BUILDING

Our [international capacity building](#) work grows out of our commitment to the sustainable development of robust and independent national accountancy professions.

Through funding from donor organisations, we work with professional accounting bodies, regulators and government departments to provide practical assistance and mentoring to build the capacity of national professions.

While progress has been impacted by pandemic-related travel restrictions, our capacity building activity is now achieving considerably more online.

During 2021, we worked on projects across 12 countries:

- Botswana
- Cambodia
- Georgia
- Iraq
- Kyrgyzstan
- Lesotho
- Malawi
- Malaysia
- Nepal
- Samoa
- Saudi Arabia
- United Arab Emirates

Since 2007, we have worked on more than 65 projects in over 30 countries across Asia, Africa, Europe and the Middle East.

In 2021, we signed an agreement with the Iraq Union of Accountants and Auditors (IUAA), to prepare a three-year strategic plan and develop their current professional qualification. The signing event was attended by representatives of the Iraq and UK Governments, donor agencies and the accountancy profession.

We were also awarded a contract by the Asian Development Bank (ADB) to develop quality assurance capacity in Armenia and the Philippines. This is an area of capacity building expertise for us and builds on ongoing similar projects with ADB in Cambodia, Georgia, Nepal and Samoa that began in 2015.

Read more: icaew.com/icb

AGREEMENTS AND COLLABORATIONS

In 2021, we led an initiative within CFE Tax Advisers Europe to produce a major discussion paper, *Professional Judgment in Tax Planning: An Ethics Quality Bar for All Tax Advisers*.

This has attracted wide stakeholder interest, including from the European institutions, as well as engagement with IESBA.

We are proud to be the only international professional body invited to join two National Advisory Committees set up by the Ministry of Education and Training in **Vietnam**. The committees will develop higher education programme standards for finance and accounting and develop the ASEAN Qualification Reference Framework's referencing report of Vietnam. Other representatives on the committees include the Ministry of Education and Training, the Ministry of Finance, local professional bodies and senior leaders from top universities in Vietnam.

Also in **Vietnam**, we signed an MoU with the Ministry of Finance to support capacity building and talent development of the accountancy profession in the country. A key objective of the MoU is for both parties to jointly map Vietnam's training programme for the IFRS certification.

We renewed our agreement to collaborate with the **Indonesian** Institute of Certified Public Accountants (IICPA), which was followed by a joint panel discussion on the topic: *Improving Audit Quality and Culture During COVID-19 and Beyond*.

In August, a new think tank, the Association of **Hong Kong** Accounting Advisors (AHKAA), was created to build solidarity in the industry. Senior ICAEW members have been invited to join this new group, which will serve as a bridge for the industry between Hong Kong and China.

In **Iraq**, we signed an agreement with the Iraq Union of Accountants and Auditors, committing our organisations to work together to help rebuild the accountancy profession in Iraq and build foundations to support the country's economic growth. The ceremony was attended by the Iraqi Ambassador to the UK, and the Executive Chairman of the Iraq Britain Business Council and Prime Minister's Trade Envoy for Iraq.

In **Saudi Arabia**, we signed a Memorandum of Understanding with the Saudi Organization for Chartered and Professional Accountants (SOCPA), committing both organisations to develop the accountancy profession in the Kingdom. The agreement was signed in the presence of the Saudi Minister of Commerce and Acting Minister of Media, then ICAEW President David Matthews and SOCPA's Secretary General.

GLOBAL EVENTS

During April, we held a joint webinar with ShineWing International, a global network of independent accounting and consulting firms, to mark its **Indonesian** firm's approval as an ICAEW Authorised Training Employer. The webinar was attended by around 500 delegates from across the region.

We held a joint webinar with the **ASEAN** Federation of Accountants (AFA) and Ikatan Akuntan Indonesia (IAI), on the topic *Green and Sustainable Finance: Now and Beyond*, which was attended by close to 300 participants from the region.

We hosted ICAEW **China Women in Finance Network** events for members and key stakeholders at the residence of the British Ambassador to China in Beijing and former British Consulate in Shanghai respectively.

We collaborated with the British High Commission and the British-**Malaysia** Chamber of Commerce (BMCC) on a series of events. This included a panel session during Malaysia Climate Action Week, moderated by our Director of Sustainability, in which leaders of energy organisations discussed how their businesses are accelerating the transition to sustainable energy.

In November, we participated in the **ASEAN** Federation of Accountants (AFA) 22nd Annual Conference. The event attracted some adverse attention after the Myanmar Auditor General (AG) was invited to speak at the virtual event. Activist group Justice for Myanmar launched a social media campaign criticising the involvement of global accountancy bodies and a number decided to withdraw their support. ICAEW expressed our disappointment and concern to AFA and MICPA that the AG's involvement risked undermining the non-political and non-partisan basis of the Federation's work. After careful consideration, we - alongside IFAC - decided to continue our participation in the event as we believed it to be an important part of AFA's work to develop and promote the accountancy profession in the region.

Our inaugural **Greater China & Southeast Asia** regional women's forum, marking International Women's Day (IWD) with the theme of #ChooseToChallenge, gathered leaders and entrepreneurs from across different professions to discuss diversity and inclusion, leadership in today's digital age and the evolving role of women in business.

We held three ICAEW Economic Forums, our flagship events to keep members and stakeholders updated with the latest economic outlooks in their regions. These events highlight regional trade developments and key trends influencing economies, presented by lead economists at Oxford Economics. We also held economic update events in North America and Australia, working with local economists.

In the UAE, we co-hosted a panel session with the UAE Ministry of Economy and the Accountants & Auditors Association (AAA) to discuss the role of chartered accountants in managing and mitigating the risk of money laundering. As the UAE seeks to strengthen the integrity of its financial system, we collaborated to help organisations comply with their anti money laundering (AML) obligations and adhere to financial crime legislation.

For members in **Australasia, the US, Canada, Caribbean** and **Latin America** we arranged virtual sessions on *Keeping up-to-date on UK tax for ICAEW members in ...* These were well received and will be repeated in 2022.

In **Hong Kong**, we ran a CPD soft skills series to support our growing younger membership. Topics included building resilience, being assertive and developing persuasion and influencing skills.



ICAEW AS A REGULATOR

Our mission as an improvement regulator is to strengthen trust in ICAEW Chartered Accountants and firms. We do this by enabling, evaluating and enforcing the highest standards in the profession.

"The IRB's objective is to ensure that ICAEW's regulatory and disciplinary work is carried out in the public interest."

Philip Nicol-Gent
Chair, ICAEW
Regulatory Board

STATUTORY APPOINTMENTS AND RESPONSIBILITIES

ICAEW is:

- the largest recognised supervisory body (RSB) for statutory audit in the UK, registering 2,458 firms and 6,811 responsible individuals under the Companies Act 2006;
- the only recognised supervisory body (RSB) for local audit in England, registering nine firms and 98 key audit partners under the Local Audit and Accountability Act 2014;
- the largest recognised professional body for insolvency regulation in the UK, licensing 840 (of the total 1,570) insolvency practitioners under the Insolvency Act 1986;
- a designated professional body (DPB) under the Financial Services and Markets Act 2000, licensing 1,860 firms to undertake exempt regulated activities;
- the largest accountancy professional body supervisor in the UK recognised by HM Treasury for the purposes of the Money Laundering Regulations 2017, supervising around 11,000 firms; and

- an approved regulator and licensing authority for probate under the Legal Services Act 2007, accrediting over 340 firms to carry out this reserved legal activity.

Data is correct as at 31 December 2021.

NON-STATUTORY ASSURANCE SCHEMES

In addition, ICAEW supervises the work of ICAEW firms and members through the following non-statutory assurance schemes:

- **Licensed Practitioner Scheme:** Over 310 firms are now accredited to perform ATOL returns work for ATOL Reporting Accountant work, in a scheme set up by ICAEW for the Civil Aviation Authority (CAA) for the licensing and monitoring of ATOL returns work;
- **Practice Assurance Scheme:** Around 12,000 firms are subject to periodic inspections to monitor compliance with Practice Assurance Standards including complaints-handling, AML compliance and the handling of client money.

PROFESSIONAL STANDARDS DEPARTMENT (PSD)

ICAEW's regulatory work is carried out by our Professional Standards Department (PSD). This work is separated through internal governance arrangements from ICAEW's other activities so that we can monitor, support or take steps to ensure change if standards are not met.

Through carrying out our statutory responsibilities, maintaining our non-statutory assurance schemes and taking enforcement action, where necessary, through our regulatory committees and disciplinary committees, we protect the public interest by making sure ICAEW firms, members, students and affiliates maintain the highest standards of professional competency and conduct.

PSD's strategy

PSD's mission is to act as, and be regarded as, an effective improvement regulator, working to strengthen and maintain public trust in ICAEW firms and ICAEW Chartered Accountants by:

Enabling

We enable firms through education

As an improvement regulator we enable our firms and insolvency practitioners (IPs) to raise standards through education. Our approach is to provide guidance to help firms and IPs maintain the highest professional standards that we and the public expect of them.

In 2021, we continued to develop and provide this guidance in many forms including monitoring reports, AML thematic reviews, webinars, videos, help sheets, checklists and the creation of our third educational drama film, *All Too Familiar*, which launched in March 2022 and is being made available free of charge to all firms we supervise for AML together with training materials. All these resources are available for our firms and IPs at [icaew.com/regulation](https://www.icaew.com/regulation).

Evaluating

We evaluate the quality of work or compliance with rules through monitoring

All ICAEW-supervised/regulated firms and IPs are monitored to ensure they meet the expected requirements and standards and abide by the regulations and ICAEW Code of Ethics.

In 2021, the Quality Assurance Department (QAD) achieved 100% of the review targets set by our oversight bodies. The overall total of 2,500 monitoring reviews included many reviews carried out as part of our expanding number of assurance outsourcing contracts with bodies such as AAT, CAI, ICAS and the IFoA, and

Enforcing

We enforce through regulatory action and disciplinary proceedings

Where necessary, we take regulatory or disciplinary action against firms, members, affiliates and students where they fall below the standards

expected of them in their conduct or competence.

During 2021, we received 948 new complaints, which was a small decrease compared to 2020 (976). During the year, a new Special Investigations team was created within Professional Conduct, where case managers deal exclusively with more complex and sensitive matters.

2021 also saw continued use of the new processes introduced by the ICAEW Regulatory Board (IRB) to make our disciplinary work more efficient. This included the issuing of fixed penalty notices (29 in 2021 v 45 in 2020), fast-track referrals to the Disciplinary Committee for serious conviction complaints and the settlement of matters between an Investigation Committee referral and Disciplinary Tribunal hearing.

In fulfilling the 3Es, we ensure ICAEW firms, IPs, Chartered Accountants and students uphold the highest standards and act in the public interest.

View the strategy in more detail at [icaew.com/improvementregulator](https://www.icaew.com/improvementregulator)

ICAEW REGULATORY BOARD (IRB)

The work of PSD is overseen by the IRB, which was formed in 2016 and which comprises 12 members with lay and chartered accountant parity with a lay chair. Members of the IRB are appointed by the independent Regulatory and Conduct Appointments Committee, and the IRB's terms of reference oblige it to act in the public interest.

The IRB receives and reviews copies of all inspection reports produced by ICAEW's oversight regulators on PSD's performances and monitor to ensure implementation of any recommendations.

The IRB also oversees the effectiveness of all ICAEW regulatory and disciplinary committees through its own quality assurance programme involving observation of meetings and meetings with committee chairs.

OVERSIGHT OF ICAEW'S REGULATORY AND DISCIPLINARY WORK

PSD's work is inspected on a regular basis by the following oversight bodies:

- Financial Reporting Council (annually)
- Insolvency Service (regular thematic reviews)
- Office for Professional Body Anti-Money Laundering Supervision (biennially)
- Legal Services Board (annually).

PSD may also be inspected by the Financial Conduct Authority for our work as a DPB.

PSD's work is also the subject of onsite delegated powers' reviews by representatives of all of our regulatory and disciplinary committees, checking matters which were not reported to them to ensure that they were dealt with appropriately and within agreed criteria.

FINANCING OF ICAEW'S REGULATORY AND DISCIPLINARY WORK

The PSD's regulatory and Practice Assurance functions are self-financing. ICAEW membership and practising certificate fees provide a financial contribution towards non-regulatory member disciplinary work. PSD's income is mainly derived from the fees paid by the firms or individuals regulated and supervised by ICAEW. These fees are set by the IRB.

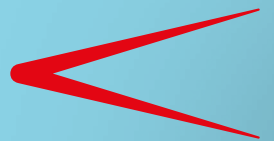
For further information on all of our regulatory functions and developments during 2021, visit [icaew.com/regulation](https://www.icaew.com/regulation) and link through to it.

STRATEGIC THEME ONE
Strengthen trust in ICAEW Chartered
Accountants and the wider profession

WHERE INTEGRITY FOSTERS TRUST

"Objectivity and integrity
are core ethical values of
chartered accountants.
This includes the way in
which we, as a profession,
manage our AML
responsibilities."

Angela Foyle FCA
Head of Risk Management and
Economic Crime, BDO Global Office



Read more at: [icaew.com/technical/trust-and-ethics/
anti-money-laundering](https://icaew.com/technical/trust-and-ethics/anti-money-laundering)



Angela is Chair of
*Accountancy Europe's
Anti-Money Laundering
Working Party*

STRATEGIC THEME ONE

Strengthen trust in ICAEW Chartered Accountants and the wider profession

In 2021, we continued to contribute to fundamental reform of audit and corporate governance in the UK, sustain confidence in the continuing excellence of our members, and establish ICAEW Chartered Accountants as key partners in combatting economic crime.

AUDIT AND CORPORATE GOVERNANCE REFORM

The UK Government's White Paper, *Restoring Trust in Audit and Corporate Governance* (published in March), proposed the most fundamental change to UK corporate governance in a generation, with major implications for our members, students, member firms and the wider economy.

Crafting our response

We undertook the biggest consultation exercise in our recent history to ensure our [response](#) to the UK Government's White Paper was robust and grounded in evidence. The ICAEW Regulatory Board also submitted a [separate response](#).

This brought together the views of our Board, Council and committees, along with members across our district societies and those in business and in audit and corporate reporting.

Roundtables were held with our business and practice members in the West Midlands and Manchester, and were joined by Lord Callanan, Minister for Business, Energy and Corporate Responsibility, to discuss the impact of the proposed measures for regional economies.

We also met with ICAEW member MPs and peers to discuss the proposals.

Overall, we produced 28 articles, webinars and podcasts – gathered together on our [audit reform hub](#). Content was delivered through our daily member emails to inform members and elicit feedback for our response. We also highlighted to media the major points from our submission, resulting in articles across UK national press.

Our position

We strongly support efforts to reinforce UK audit and corporate governance. Reform should reinforce the UK's comparative position in the global economy and ensure that all stakeholders can continue to rely on high quality, focused, transparent and reliable information.

'Reinforcing' rightly suggests strengthening rather than completely rebuilding. We want to work proactively with government, business and the regulator to address weaknesses, while enhancing the UK's global reputation as a place to raise capital and investment, and use the soft power of our professional services.

"ICAEW is a force-multiplier for my firm and for other mid-tier firms; enabling us to reach opinion-formers and legislators which would be next-to-impossible for us, trying to do it ourselves."

Dr Tom McMorrow MBE

Director of Policy,
Regulation and Ethics, RSM

Tom is Secretary to the Group A firms and helps to facilitate the 'voice of the challenger firms' into the Audit reform debate



We stated in our response that a systems-wide approach to reform was needed. Specifically:

- Government should establish the Audit Reporting and Governance Authority (ARGA) as soon as possible and focus its remit on encouraging improvements in corporate reporting and audit. The regulator should not be given wider powers which undermine and threaten its ability and capacity to improve those core areas.
- Directors of public interest companies should be accountable for high standards; this would drive up standards and would make real improvements against the risk of fraud and unexpected corporate failure, as well as reduce the risk of capital.
- The core audit could be reinforced through the Audit & Assurance Policy, designed to address investors' wishes to seek greater assurance over areas such as adaptation to climate change.
- Extending the Public Interest Entity regime too far would not capture the right companies and would risk overwhelming the system, putting strain on the capacity of the new regulator and setting it up to fail before it had even begun, as well as undermining competition and resilience in the audit market.
- Establishing a separate professional body for corporate audit would be duplicative, costly, distracting and compromise UK competitiveness and soft power.

You can read our full response [here](#).

Further engagement

We have continued to engage with government and the regulator, including convening and leading meetings to discuss the costs and benefits of such reform, and highlighting our position to the media.

Following submission of our response, we chaired a further roundtable with ICAEW member firms and government stakeholders to explore the impact of the proposals on UK businesses.

Sir Jon Thompson, Chief Executive of the Financial Reporting Council, and Lord Callanan also gave keynote speeches at ICAEW's Financial Reporting Faculty/Audit and Assurance Faculty virtual conference on audit reform and sustainability reporting.

BEIS will provide a response to the consultation in 2022 and propose legislation to enact its preferred options. ICAEW will remain at the heart of the debate to ensure our members' views are heard.

Additional reading

Our [audit and corporate governance reform hub](#) brings together our technical analyses, reports and articles.

Our ICAEW Insights specials hub – [Restoring Trust in Audit and Corporate Governance](#) – brings to life discussion around the consultation and an exploration of what the restoration of trust means, through podcasts, videos and articles.

ECONOMIC CRIME

Economic crime is causing increasing disruption to all of our personal and professional lives, growing both in frequency and sophistication. Chartered accountants are on the front line of detecting and reporting suspicious activity – and thus helping to prevent such crime.

In 2021, we increased our focus on this critical area.

Accountancy Sector Fraud Charter

We signed up to the new [Accountancy Sector Fraud Charter](#), developed in conjunction with the Home Office.

The charter contains four main actions to be delivered in collaboration between the accountancy profession, government and law enforcement agencies. These are:

- to improve information and intelligence flows, specifically a fraud threat assessment for the accountancy sector;
- to improve education around fraud via a fraud awareness toolkit, of which ICAEW is leading the development;
- to enhance Companies House data and associated vulnerabilities; and
- to increase fraud awareness among businesses and the public.

With similar charters published for other sectors, our Managing Director, Reputation and Influence, Iain Wright, represents the accountancy sector on the UK Government's Joint Fraud Taskforce Board.

AML: The Basics

We worked with IFAC to produce an educational series about anti-money laundering. [AML: The Basics](#) has six instalments covering what money laundering is and how criminals might seek to use chartered accountants to clean their dirty money.

This series was very well received and is being promoted by our professional standards monitoring teams as a resource for firms to train their staff on money laundering. The series has also received international attention and requests to be translated into other languages.

Economic Crime Manifesto (as part of CCAB)

In collaboration with the CCAB bodies, we developed an [Economic Crime Manifesto](#), detailing areas that government should prioritise to ensure that the UK maintains and builds its resilience against economic crime.

Priority areas include reform of Suspicious Activity Reports (SARs) and intelligence sharing, funding of the government's Economic Crime Plan, further reform of modern slavery legislation and comprehensive action to tackle financial illiteracy.

All Too Familiar film with HMRC

In 2021, we produced our third corporate training film, [All Too Familiar](#). Created in collaboration with HMRC and launched in March 2022, the film explores the degree of trust still placed in personal and professional relationships and whether enough scepticism is being used in the fight against economic crime.

In producing this film, we want to make firms more aware of how they might inadvertently assist economic crime by providing services to businesses which are laundering money or engaged in other illegal activity.

This follows the success of our two previous training films, [False Assurance](#) and [Without Question](#), both of which have been used to support training and business development programmes around the world and which have been viewed by hundreds of thousands of people.

Fraud Advisory Panel

We continue to be the major supporter of the [Fraud Advisory Panel](#), an independent charity which is the voice of the counter-fraud profession, and which works to protect the public from fraud.

In October, the Panel ran the international [Charity Fraud Awareness Week](#) in conjunction with the Charity Commission. The week comprises an award-winning campaign to raise awareness of fraud and cybercrime affecting the charity sector, and creates a safe space for charities and their supporters to talk about fraud and share good practice.

Further reading

Our [ICAEW Insights specials economic crime hub](#) collates the latest trends and perspectives on economic crime from around the world, and examines how chartered accountants can help to combat it.

Our [Anti-Money Laundering pages](#) contain a wealth of resources on how to detect and report money laundering, including guidance on how members can meet their obligations under the money laundering regulations.

Our [Fraud hub](#) contains video case studies of how members may encounter fraud, plus sources of help and advice including helpsheets and details of the ICAEW Fraud Advisory Helpline that was launched this year.

MEASURING TRUST IN THE PROFESSION

Since 2018, we've worked with [Chartered Accountants Worldwide \(CAW\)](#) and Edelman Intelligence to measure trust in the global accountancy profession.

In 2021, we undertook the next stage of this 'Trust research', which tracked the attitudes of more than 1,450 senior financial decision-makers and business leaders across the UK, the Republic of Ireland, South Africa, Australia and New Zealand.

The results were launched at a global webinar, [Rebuilding Trust](#), attended by delegates from 55 countries. Business leaders debated the role of finance and business in shaping a sustainable future and how the chartered accountancy profession must use its position of trust to lead the global recovery.

They reveal that trust in the profession remains strong. Business decision-makers consider chartered accountants the most trusted finance professionals, and among the most trusted professionals more widely – catching up with doctors, engineers, nurses and teachers, and ranking ahead of the legal profession and politicians.

- 84% of respondents believe chartered accountants have the skills and expertise to help businesses thrive today.
- 81% are confident in chartered accountants' ability to navigate a new operating environment in the future.

There is also growing expectation for chartered accountants to use their position of trust to lead on societal issues such as ensuring data integrity, driving sustainable and resilient businesses, and doing more to foster diversity, equity and inclusion practices.

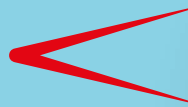
Trust in organisations


We ran an ICAEW Insights special focusing on [Trust in organisations](#). The online hub contains articles about how organisations can build, maintain or rebuild trust and the role that chartered accountants and effective corporate governance have to play. Topics span business, charities, public sector, professional standards and data.

"As gatekeepers to the financial system, our profession is committed to playing its part in helping to prevent and detect economic crime."

Michelle Giddings FCA
Head of AML & Operations, ICAEW

Michelle is Chair of the
*AML Professional Body
Supervisors Forum*



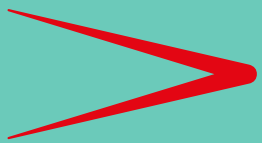


Sundip supported and took part in our 1,000 Chartered Accountants campaign during 2021

STRATEGIC THEME TWO

Help to achieve the UN's Sustainable Development Goals

WHERE PRINCIPLES BECOME PRACTICE



"We can no longer avoid quantifying and reporting on climate-related matters."

Sundip Jadeja ACA
Technical Manager,
IFRS Foundation



Read more at: icaew.com/climate

STRATEGIC THEME TWO

Help to achieve the UN Sustainable Development Goals (SDGs)

In 2021, we continued to position our members as being at the forefront of understanding and implementing the SDGs, supporting them to do so, and demonstrated leadership in our own conduct as a business and an employer. We also supported the development of metrics to help achieve a more sustainable future.

CAMPAIGNS

Chartered accountants and climate change

While all professions have a role to play in tackling climate change, chartered accountants work at the heart of the business strategies that will make some of the biggest differences in reaching net zero.

As a profession of problem-solvers, we help organisations to understand the economic as well as moral imperative to address this, and to adapt successfully.

[Michael Izza on members' role in tackling the climate crisis | ICAEW](#)

When Chartered Accountants Save the World

In the run up to COP26, we launched a major new content series exploring the ways in which chartered accountants are helping to tackle some of the most urgent social challenges within the UN SDGs, and considering how the profession could do even more in the future.

[When Chartered Accountants Save the World](#) contains a series of articles and videos centred around climate risk, diversity and trust.

1,000 Chartered Accountants

Our [1,000 Chartered Accountants](#) campaign, in collaboration with Chartered Accountants Ireland and ICAS, celebrates our members who have shown leadership by acting on climate change. They may have guided their organisation or clients into the [UN Race to Zero](#) or other national or regional initiatives. Equally they may have been climate thought leaders, advocates or influencers in their own right.

More widely, the campaign also makes and promotes the case that chartered accountants are well-placed to drive climate action within their, and their clients' organisations.

We hope that by sharing and celebrating their stories, we will inspire others to start on their own carbon zero journey and join the campaign.



"Accounting for Sustainability (A4S) continues to work with the profession to help chartered accountants play a role in changing the way businesses function to make them more sustainable, fairer and ultimately more successful."

Jessica Fries FCA, FRSA

Executive Chair, Accounting for Sustainability (A4S)

Jessica is helping to drive a shift in sustainable finance. A4S are co-sponsors of the Finance for the Future Awards

EVENTS AND INITIATIVES

ICAEW Climate Summit

Our inaugural virtual [ICAEW Climate Summit](#) took place in October, engaging with key sustainability topics and attracting more than 1,000 sign-ups.

The five-day event featured an array of speakers and content on the themes of climate disclosure, governance, finance, SME action and personal leadership. The panel comprised members and stakeholders working across a wide variety of industries and sectors.

The summit featured a [welcome message](#) from the UK's Net Zero Business Champion and ICAEW member, Andrew Griffith MP, who highlighted the important role of the accountancy profession in acting on climate change.

Feedback was overwhelmingly positive, with 85% of delegates supporting the purely virtual format.

One delegate described the programme as the best yet, citing the reason being our concise, well-organised virtual sessions with excellent speakers exploring themes both familiar and new.

Ahead of the summit, we surveyed members across Europe to enhance our understanding of how their organisations are addressing climate change. This provided valuable input as we continue developing our resources to ensure all members are professionally ready to address the climate challenge.

Finance for the Future Awards

2021 saw the 9th [Finance for the Future](#) Awards, which ICAEW hosts in partnership with Deloitte and HRH The Prince of Wales' Accounting for Sustainability (A4S) project. The awards continue to increase in popularity and this year saw a record number of entrants, with a shortlist of 36 finalists.

The awards were held in November in a hybrid format in both London and Glasgow and online to coincide with the UN Climate Change Conference (COP26).

You can view a recording of the event, together with the welcome from HRH The Prince of Wales, the winners' videos, and details of all winners and finalists, [here](#).

Climate Change: Global leadership, local action

We co-hosted a FinBiz2030 event in conjunction with Chartered Accountants Worldwide and One Young World, [Climate Change: Global Leadership, Local Action](#).

The event featured Rt Hon Anne-Marie Trevelyan MP, the Government's Champion for Adaptation and Resilience and ICAEW member. The focus of the event was what young leaders in business and finance could do to help connect the global and the local when it comes to climate change.

WWF's Too Big to Fail

Across the world our members have joined virtual screenings of the WWF film, [Too Big to Fail](#).

Each event featured an expert panel to explore the risks of inaction, the impact of investing as usual and the role that the finance sector can play in powering a sustainable future.

The final screening of the year took place at the Indonesia International Conference for Sustainable Finance and Economy, a two-day online conference that we co-organised with the Indonesian Ministry of Finance and Parahyangan Catholic University. Global business leaders and experts from WWF, BCA, MRT Jakarta, the United Nations and others provided their insight. Our Chief Executive, Michael Izza, spoke at the event, alongside Indonesia's Minister of Finance and the UK's Economic Secretary to the Treasury.

WWF's Our Planet: Our Business

In **Nigeria**, we hosted a special screening of WWF's climate action film, *Our Planet: Our Business*. The event explored what the world's business community can do to help tackle climate change, and was widely covered across Nigeria, Kenya and Zimbabwe, including CNBC Africa.

Bringing Nature into Corporate Decision-Making

We brought together EU decision-makers, members, and business and civil society representatives in two panel debates highlighting the importance of addressing biodiversity. The events, *Bringing Nature into Corporate Decision-Making*, were held jointly with PwC and the European Parliament Intergroup on Climate Change, Biodiversity and Sustainable Development.

COMMITTING TO ACTION**Accounting Bodies Net Zero Commitment**

Since becoming carbon neutral in 2020 [ICAEW's journey to carbon neutrality | ICAEW](#), we are delighted to have now joined 13 other professional accountancy bodies – all members of Accounting for Sustainability's Accounting Bodies Network (ABN) – in the [Net Zero Commitment](#). As well as committing to achieve

net zero greenhouse gas (GHG) emissions, we have undertaken to encourage and enable our membership to do the same. Together we represent 2.5m chartered accountants globally.

Professional Bodies Climate Action Charter

We are proud to have been one of the professional bodies who, together with the consultancy E3G, have led the development of a net-zero pan professional network – known as the [Professional Bodies Climate Action Charter](#) – launched at London Climate Action Week 2021.

Many professional bodies are already working hard on climate action. We recognise this and appreciate that it is by no means something we can solve alone, and we believe there is power in acting with common purpose, in a collaborative and multidisciplinary way. The PBCAC offers a space to share knowledge and experience and coordinate our efforts. This will heighten our collective impact and drive forward the transition to a decarbonised economy.

We are delighted that our colleagues at Chartered Accountants Australia & New Zealand (CAANZ) have also signed up to the charter and urge other accountancy bodies to do the same.

"Since joining ICAEW, I have been lucky to engage with so many interesting members from across the globe and to hear their stories on how they are driving climate action."

Sarah Reay

Climate Change Executive, ICAEW

Sarah joined ICAEW as an intern in 2021. She is now a permanent employee and has a Masters in Sustainable Development



DEVELOPING METRICS

In 2021, ICAEW and others were pleased to welcome the announcement of the new [International Sustainability Standards Board \(ISSB\)](#).

The ISSB will play a pivotal role in enabling a world of sustainable economies and represents a key step towards the development of a truly international corporate reporting system.

In August, our CEO, Michael Izza, [wrote to the IFRS Foundation](#) on behalf of an extensive group of bodies and organisations representing the private sector and civil society, to advocate the merits of locating the new board in London.

We also worked closely with the Department for Business, Energy and Industrial Strategy (BEIS) and HM Treasury, to coordinate our letter with another from the Chancellor of the Exchequer, pledging his support for the ISSB to be based in London, on behalf of the UK Government.

Our bid was unsuccessful, and the ISSB's headquarters will instead be based in Germany, with other offices around the world. Nevertheless, we strongly support the formation of the new board and look forward to continuing to work closely with the IFRS Foundation and others on this very important project.

INSIGHTS SPECIALS AND THOUGHT LEADERSHIP

We ran two sustainability-related ICAEW Insights Specials this year:

[COP26: Acting Together on Climate Change](#) was developed in the lead-up to the conference in Glasgow. The hub provides inspiration, information and practical resources to support the goals of COP26 and explore why it represents a critical time for our profession.

[Non-Financial Reporting: Where are we Headed?](#) examines the challenges companies face in this area, what improvements can be made and what the future holds, through an extensive series of articles.

Some of our thought leadership also focused specifically on sustainability:

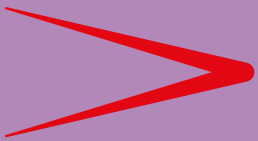
[The Economics of Biodiversity](#) reflects on what the 2019 Dasgupta Review means for business and the profession, featuring articles and an exclusive interview with Professor Dasgupta.

Our joint research project with the British Chamber of Commerce Singapore led to our report, [Green Finance: ASEAN & UK perspectives](#). The report explores the views of finance professionals in relation to climate finance, including wider sustainability goals, and with particular reference to the Association of Southeast Asian Nations (ASEAN) region.

Annemiek is an
'ICAEW ambassador'
in Hong Kong

STRATEGIC THEME THREE
Support the transformation
of trade and the economy

WHERE LEADERSHIP REACHES GLOBALLY



"Through ICAEW I've been able to network and connect with senior members and keep up to date with relevant technical, economic and legal information for Asia Pacific."

Annemiek Ballesty ACA

Senior Vice President, Head of APAC
Commercial, Fossil Group



Read more at: [icaew.com/](https://www.icaew.com/)

STRATEGIC THEME THREE

Support the transformation of trade and the economy

ICAEW Chartered Accountants are supporting a sustainable and inclusive global economic recovery and providing leading insight on the transformation in ways of working brought on by the pandemic. We continue to work with tax authorities to reform systems of taxation and with governments to help achieve sustainable public finances.

SUPPORTING BUSINESSES THROUGH COVID-19 AND BEYOND

Coronavirus hub

At the start of the pandemic, we launched our [Coronavirus hub](#), designed to help companies manage through the crisis. It initially offered emergency support predominantly for the UK, providing practical business advice, analysis of government schemes, and guidance for employers, directors and businesses of all sizes and sectors.

During 2020, in the UK it was one of the most widely accessed online sources of information on these subjects as people looked for timely, authoritative and simple guidance on sometimes complicated topics. We have continued to keep the hub updated during 2021, including articles and webinars on grant entitlements, tax calculations, support for the self-employed and guidance for preparers of financial statements.

Global recovery hub

Our [Global recovery hub](#) focuses on helping businesses around the world to build back better in the longer term. We know that while national schemes will provide immediate support, international action will help to shape the recovery more widely. This hub offers news and insights from a variety of markets, examines in depth the profession's role in recovery, and contains international case studies.

The future of work

The ICAEW Insights special, [Hybrid Working and the Future of Work](#), serves as a comprehensive hub of information, guidance and opinion on the current transformation in our ways of working. Articles look at both the human and technological shifts at play, including managing the return to offices, the skills needed for the future, and data security and risk.

Small businesses


In another ICAEW Insights special, we examined the finance options and support available to small and growing UK companies. [Access to Finance: Supporting Small Businesses](#) contains a raft of content to inform and support SMEs, covering starting out, funding growth, finance options, diversity and more.

Our report, [Small Company Reporting: a Focus on China with UK Comparisons](#), undertaken with the Ministry of Finance in China, provides new insights into how a small company is defined, who the users of small company financial reports are, and the differences in China and the UK between big-GAAP and little-GAAP.

PUBLIC SECTOR AND PUBLIC FINANCES

Many ICAEW members work in or with the public sector to deliver public priorities and strong public finances.

Through our public sector work, we act in the public interest to support strong financial leadership and better financial management across the public sector – including transparency, accountability, governance and ethics – to ensure that public money is spent wisely and that public finances are sustainable.



"The pandemic has tested the resilience of many businesses. Being an ICAEW member has helped me build a network of experts from whom I can ask for help when needed."

Tanuvi Ethunandan ACA
CEO & Co-Founder,
Data Duopoly

Tanuvi was a panellist at *Virtually Live* and spoke on entrepreneurship

Public Sector conference

We held our first-ever [Public Sector conference in December](#) – a virtual event which focused on sustainability and the importance of the public sector in achieving net zero. The event attracted nearly 250 delegates and provided them with practical tips. Keynote speakers included the Head of the Government Finance Function, the Auditor General for Wales and the Chair of Natural England.

Redmond Review

We've played a leading role in discussion and implementation of Sir Tony Redmond's independent review into financial reporting in local authorities. We sit on working groups set up by the Department for Levelling Up, Housing and Communities (DLUHC) to implement the review's recommendations and facilitated a DLUHC roundtable for local audit stakeholders to discuss potential solutions to current challenges in this area.

Prizing the Public Pound

The political think tank, The Fabian Society, asked us to explore the ideas put forward in their publication, [Prizing the Public Pound](#) – emphasising the value of public sector audit. We published our [response](#) in August 2021 and followed up with a [podcast](#) for discussion with the authors. The key message about the value of audit was part of the Shadow Chancellor's speech at the Labour Party Conference, and we held a roundtable with members of the shadow cabinet and other think tanks to discuss the merits of the ideas.

This was supported by a policy roundtable with Bridget Phillipson MP, Shadow Chief Secretary to the Treasury on departmental coordination, audit and procurement.

IPSASB

Throughout 2021, we continued to engage with the International Public Sector Accounting Standards Board (IPSASB), providing technical support to the UK representative and hosting a [podcast](#) featuring the Comptroller and Auditor general for Jersey – the UK Board member of IPSASB.

ICAEW Insights special

In October, we focused on [Repairing Public Sector Finances](#) post-COVID. We published more than 40 articles touching on best practice,

"During the pandemic, chartered accountants in practice became trusted advisers, counsellors and confidantes. The ICAEW community gives them access to deep and broad support to help the community they serve."

Paul Layte FCA
CEO, Next Level Business



During the pandemic, Paul created a Coronavirus Business Continuity Resource Centre, to support his clients and other businesses



local government and audit, and sustainability from a wide range of public sector perspectives, including from the CFO of HMRC and the Head of Accounting at Network Rail.

Reforming tax systems

Our ICAEW Insights special, [The Future of Tax](#), was published alongside the launch of the UK Government's review of the tax system. Dozens of articles offer insight and opinion on business taxes, the taxation of work, [Making Tax Digital](#), and simplification and digitalisation.

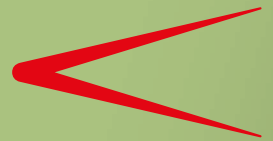
Later in the year, we published [Building a Better Tax System for the UK](#), which examined the opportunities and challenges of reforming the UK's tax system to be fit for a digital future. This included a range of technical articles from our experts, and focused on areas such as registration, reporting and calculation, payment and repayment, and powers and safeguards.

STRATEGIC THEME FOUR
Master technology and data

WHERE TECHNOLOGY MEETS TRAINING

"Cyber risk is a key business risk we all face. As chartered accountants, we need to prepare and train for this risk."

Karen Morrall ACA
CEO, Lockdown Cyber Security,
Trainer, Cyber Security for Accountants



Read more at: [icaew.com/technology](https://www.icaew.com/technology)



Karen spoke at
Cybercrime Week and
ICAEW Academy Live
and hosts the new
Academy course on
Cyber Security

STRATEGIC THEME FOUR

Master technology and data

In 2021, as digital transformation continued to shape new ways of working and doing business, we focused heavily on raising awareness and helping organisations to adapt. We are redefining the data skills expected of, and possessed by, our members. Equipping them to be leaders in the exploitation of new technology and data, and ensuring they are trained and equipped to deter and detect fraud and other cybercrime.

CYBER

Much of our cyber activity in 2021 has been focused around helping businesses mitigate the growing threat of cyber-attacks posed by an increase in hybrid and home working.

Cybercrime Week

In October, we launched our first [Cybercrime Week](#), which brought together resources from across ICAEW and third parties. The content included webinars, videos, articles and podcasts on cyber threat, cyber hygiene, fraud, response and recovery, and people and culture.

Highlights included a suite of resources from the National Cyber Security Centre (NCSC) tailored for SMEs, guidance from Marsh Commercial on the cyber risk of remote or hybrid working, a session by Barclays on fraud and a Met Police webinar briefing on cyber threats.

To further support members in this area we have promoted NCSC campaigns, including the [Cyber Aware](#) campaign and the relaunch of the [Small Business Guide: Cyber Security](#).

Cyber training

Our [ICAEW Academy](#) launched a pilot of a new cyber training course for members, [Cyber Security for Accountants and Business Leaders](#).

ICAEW members often oversee risk registers and are responsible for mitigating risks, and this course provides them with the strategies to enhance cyber resilience in their organisations. It focuses on mitigating down the cost and risk of a cyber incident, ensuring data integrity within accounting systems and reducing cyber expenditure while enhancing the resilience of their business.

Following excellent feedback, the course will be rolling out fully across 2022.

Hybrid working

As part of our September ICAEW Insights Special, [Hybrid Working and the Future of Work](#), we looked at the growing threat of ransomware and what the acceleration of digital working means for the finance sector.

ENGINE B

[Engine B](#) is an initiative launched in 2019, to create a set of common open-source data models, providing a standard-access methodology to client data for audit firms and other businesses. It is comprised of professional services firms, academic institutions and a technology house.

"Together with ICAEW, Engine B is building a more transparent, technology-enabled sector, and our partnership ensures the tools we are creating represent and work for all professional services."

Shamus Rae
CEO, Engine B

Engine B is a key partner for ICAEW and is transforming how data is accessed



In 2021, the project made some major technological advancements and increased its reach.

Building on its Common Data Model, Engine B has created data maps and connectors to some of the most used firm-to-client systems with a development roadmap for others during 2022.

The project is now being privately previewed by several firms and the first formal product launched in February 2022. As well as unlocking client data for firms, Engine B will now work with low code platforms and other current data and analytics providers, making it easier for firms to implement technology into their services.

In November 2021, Engine B completed a further round of funding totalling £1.5m, with ICAEW investing £500,000 to increase our equity stake to 14%.

SHARING OUR KNOWLEDGE GLOBALLY

We took part in a session of Chartered Accountants Worldwide Network USA's, *Climate, Accountants & Technology* webinar, designed to inform finance professionals about why they must advocate and use technology to report on climate impact. Our session focused on challenges for the tech sector and the importance of data and AI.

We participated in the African Congress of Accountants in November, creating a short video on AI and hosting a panel discussion on the topic.

In August, we held a cybercrime roadshow for members across the GCSEA and MEASA regions, *Are Businesses Today Ready to Tackle Cybercrime?*, featuring panellists from the large firms and officiated by the ICAEW President.



"Big data can help the profession develop new areas of knowledge. Armed with an extensive digital tool kit, chartered accountants can embed themselves as crucial to the success of all businesses."

Becky Shields FCA
Head of Digital Transformation,
Moore Kingston Smith

Becky is the lead representative for the SME market at Engine B and is Chair of ICAEW's *Mid Market Tech Forum*



"Data analytics plays a pivotal role in supporting audit, assurance and business decision-making. Our community has helped finance professionals develop the advanced data analytics and visualisation skills needed to succeed."

Sona Davda ACA
Director, Operations, ICAEW

Sona managed and oversaw much of the activity in the *Data Analytics Community* during 2021

STRATEGIC THEME FIVE
Strengthen the profession
by attracting talent and
building diversity

WHERE TALENT FINDS OPPORTUNITY



Read more at: [icaew.com/
diversityandinclusion](https://www.icaew.com/diversityandinclusion)



"We have come a long way regarding the lack of ethnic minorities within accountancy, but the job is far from done."

Vincent Egunlae ACA
Assistant Manager,
Strategic Leadership Team,
Grant Thornton

Vincent co-founded the ethnicity network within Grant Thornton, he is a former One Young World Ambassador and was a participant in our "Welcome Inclusion" campaign

STRATEGIC THEME FIVE

Strengthen the profession by attracting talent and building diversity

We are working hard to ensure that the profile of our members and students not only fairly reflects the societies it serves but enables us to innovate and meet future challenges by drawing on a diversity of thought and background. During 2021, we ramped up efforts to support the personal and professional development of our members and employees throughout their careers and evolve the representative components of our governance to ensure that it better reflects the profile of the membership.

WIDENING ACCESS TO THE PROFESSION

Access Accountancy

In our first year as chair of [Access Accountancy](#), we worked in consultation with signatories to evolve the charity's strategy.

This builds on the success of the programme since it was launched in 2014. Alongside the existing focus on work experience, Access Accountancy now has an expanded role to challenge and support firms on making their hiring practices more inclusive and supporting individuals from low socio-economic backgrounds when they enter the profession.

Rise

We have worked collaboratively with five of the larger firms to develop [Rise](#), following a pilot in 2020. This project aims to support the aspirations of young people from disadvantaged backgrounds, by helping them develop the skills employers are looking for. It will do this through:

- delivering workshops that link curriculum subjects with skills development for schools in areas of low social mobility, supported by volunteers from the companies involved; and
- offering free downloadable resources for all schools that link the Key Stage 4 curriculum with skills, set within the context of business.

In December 2021, we launched Rise to employers, aiming to bring more of them on board as partners and increasing the reach and impact of the programme. Following the launch, two other large firms have become partners of the programme for the academic year 2021-22 and several other firms have also expressed interest in supporting the programme.

Improving access for students of Black Heritage

We continue to drive efforts to attract Black talent into the profession. This has included [Aspire](#) in partnership with Target Jobs, [The Black Tech Broadcasts](#) series in partnership with Hype Collective, and a [careers workshop](#) for school-leavers of Black Heritage, led by ICAEW working with 10 member firms.

We are also supporting the [10,000 Black Interns](#) initiative by offering internships in summer 2022 and helping coordinate efforts across the accountancy sector.

We were also the first professional body to support and sign the [Charter for Black Talent in Finance and the Professions](#), in December 2020. One of our obligations under the charter is to publish an action plan for improving the representation of Black talent within ICAEW, which we did in December 2021. This includes objectives across four areas:

- Representation among employees
- Representation within the membership
- Representation on ICAEW's committees and advisory groups
- Access to the profession.

DELIVERING CHANGE THROUGH DIVERSITY AND INCLUSION

Dedicated expertise

In 2021, we recruited a new Diversity and Inclusion Manager to oversee the development of our diversity and inclusion strategy and lead a sustained programme of activities, both internally and externally among our existing, prospective and aspirational membership.



"I believe that the more we engage on the topic of Diversity and Inclusion, the greater everyone's understanding will be."

Alan Chan ACA
Founder, Cornerstone Accounts

Alan participated in our "Welcome Inclusion" campaign

Through qualitative and quantitative analysis, this strategy – which launches in 2022 – will identify and target historical and contemporaneous challenges, driving change and setting parameters and targets to monitor progress.

Diversity and Inclusion hub

Our [Diversity and Inclusion hub](#) is the central access point for all our diversity and inclusion activity housing and featuring key content and signposting to related material.

This year we redesigned and upgraded the hub to better showcase our increased activity in this space and the widening range of stakeholders producing content.

This resulted in more than tripling unique page views and doubling the time users spend on each page.

The new hub is regularly updated and enables a larger amount of content to be featured on the main page, which is now filtered by diversity characteristic following feedback from users.

Feedback on the upgrade has been positive with praise for the range and scope of content featured, as well as for our prioritisation of the wider equality, diversity and inclusion agenda.

'Welcome Inclusion' campaign

Influencing and encouraging diversity and inclusivity is central to our efforts to strengthen the profession by attracting talent and building diversity. We recognise that every chartered accountant can help to encourage an inclusive profession, supporting our strategic aims.

In 2021, we planned detailed content and collaborated with our members to deliver innovative training that tackles common workplace issues that are counterproductive to inclusion, highlighting the business case for inclusivity within chartered accountancy and beyond.

[Welcome Inclusion](#) is our first major diversity and inclusion content campaign and will continue throughout 2022. We will continue to work closely with members to identify and raise the profile of issues that impact the industry, offering practical solutions.

ICAEW Insights specials

To support our members in embracing the opportunities diversity and inclusion bring, we ran an ICAEW Insights special, [Equity, Diversity and Inclusion: Why Accountants Should Care](#). The content hub contains videos, articles and podcasts providing thought-provoking and

"Access Accountancy is an important initiative as it showcases the diverse range of roles we have in NHS finance, whilst helping us to build a more diverse pipeline of future chartered accountants."

Dr Lore Lippmann ACA

Deputy Director of Finance,
The Queen Elizabeth Hospital
King's Lynn NHS Foundation Trust



Lore was a driving force behind NHS finance signing up to Access Accountancy in 2021

practical advice for chartered accountants, relating to a range of characteristics as well as social mobility and intergenerational fairness.

In another Insights special, [Mental Health and Wellbeing](#), we showcased a selection of our work with wellbeing charity, [CABA](#), to support the mental health of our members and students, promote understanding of the issues and break the stigmas that still exist. Articles, guides, videos and webinars were included.

Probate diversity monitoring

During the year, our Professional Standards Department collected diversity monitoring data from the 350 firms they license for probate, an exercise performed every two years.

While this is a regulatory requirement, we use the data to better understand diversity within accountancy and the legal services, informing our own equality, diversity and inclusion strategy and allowing for centrally driven targeted interventions where required.

It also helps practices identify new areas of growth and delivery of services, and further enables industry-specific benchmarking, serving as a catalyst for change across the profession.

For the first time, the survey included questions on maternity/paternity and marital status.

All firms accredited for probate services are required to collect, report and publish diversity data about their employees.

The data is summarised in the report, available at icaew.com/probatediversity

Queer Student Awards

This year we sponsored the 'Role Model of the Year' category at the Queer Student Awards, in recognition of the importance that role models play in young people's careers. One of our employees served on the judging panel and announced the category winners on the evening.

The awards are a new annual celebration recognising talented LGBTQ+ students and allies. They provide a space to show commitment towards positively addressing the adversity that queer youths experience every day, and act as a platform to showcase the work being done to create safe and inclusive spaces for young LGBTQ+ people.



"Rise promises to make a real difference by investing in young people, and will help to build their confidence, skills and aid their development."

Sarah Atkinson
CEO, Social Mobility Foundation

Sarah spoke at the launch of *Rise*

UK Workplace Equality Index

In October 2021, we participated in the Stonewall Top 100 Employers Workplace Equality Index. This allows us to benchmark annually our performance and commitment to our LGBT+ staff, by measuring against eight key areas including internal policy and practice.

It also allows us to showcase our organisation as an employer of choice, attracting the very best and most diverse applicants to help deliver our mission against our 10-year strategy.

The results will be announced in February 2022, and we will participate again in 2022 with a view to surpassing 2021 scores.

Tech She Can

We're a supporter of the [Tech She Can](#) charity, which works with industry, government and schools to improve the ratio of women in technology roles. We're also a signatory to their charter, which commits us to improving our own ratio in this respect.

In the UK, women in tech are outnumbered by men by 4:1, which risks creating biased technical solutions and products that don't reflect the diversity of society.

At ICAEW we have over 100 people working in tech, and we're proud to say nearly 40% are women – far exceeding the national balance. We continue looking for ways to motivate, educate and inspire more women to consider a role in technology.

'Design for a social cause' in Singapore

Our drive for equality, diversity and inclusion extends across the world. In 2021, we collaborated with Singapore Fashion Runway (SFR) to organise the [Design for a Social Cause](#) virtual design workshop.

SFR is a social enterprise that trains and nurtures young people with special needs and from disadvantaged groups, through their Fashion for a Social Cause movement.

This event served as a platform for young people at SFR to showcase their talent and meet ICAEW members and staff in a relaxed environment. ICAEW members were paired with the young people in attendance and together, they designed pieces of merchandise.


The most creative designs were selected for mass production for sale, with all proceeds going towards supporting young people at SFR.

Women in EU Finance

Our [Women in EU Finance Network](#) brings together finance professionals from across Europe interested in gender equality. It holds regular events to help members share success stories, discuss persistent challenges and drive change.

In February 2021, the network hosted an online conversation with the Chair of the European Parliament's Committee on Women's Rights and Gender Equality, discussing financial leadership, how to mainstream gender into policymaking and the impact of COVID-19 on gender equality.

An online panel was held in June – including representatives from the OECD and the European Court of Auditors – and debated how incorporating a gender perspective into fiscal planning can help to assess and target the impact of policy on different genders.



"ICAEW is proud to be leading in the Diversity and Inclusion space by enabling courageous conversations and collaborating with our employers to create lasting change."

Dr Antonia Sudkaemper
Diversity and Inclusion Manager, ICAEW

Antonia joined ICAEW in 2021 and was involved in developing the 'Welcome Inclusion' campaign

TRANSFORMING OUR WAYS OF WORKING AND SUPPORTING OUR PEOPLE

"The Facilities team worked tirelessly to ensure that our offices remained COVID-secure in line with government guidance."

John Bowers
Health & Safety
Manager, ICAEW

John sits on the Health and Safety Committee and helps ensure that ICAEW's health and safety policies, guidance and procedures are implemented across our UK properties



On top of the challenges created by the pandemic, 2021 has also been a time of organisational and cultural transformation for our people, bedding in new structures and ways of working closely aligned with our strategy. We have become a more sustainable and inclusive organisation, while acknowledging that there is still much to be done on both accounts. Continuing our journey to become more efficient, we have doubled down on our efforts to transform key business systems, so we are better able to support the increasing size and complexity of our processes and deliver our strategy. And we have realigned our internal relationships and resources, to better focus on achieving our objectives while connecting the work of our people to our strategic goals. Our people are central to our strength and are our most valued asset.

BECOMING CARBON NEUTRAL

ICAEW became carbon neutral in autumn 2020, making us the first major professional body in the world to do so and reflecting our commitment to achieving the [UN Sustainable Development Goals \(SDGs\)](#).

We had been working towards carbon neutrality for five years, investing in enhanced remote meeting technology, building a comprehensive recycling scheme system including non-landfill waste disposal, and planning for the removal of gas as an energy source in our offices. And we had already achieved a 20% drop in our emissions before embarking on our drive towards carbon neutrality.

Our investment continues in further internal carbon-reducing activities across our operations, which will reduce our emissions by a further 20% by 2025, and 40% by 2030. We will monitor our reduction progress by measuring our footprint annually.

We also expanded the scope of our carbon reduction beyond that of many other organisations, by including employee commuting in our carbon footprint.

Carbon offsetting

Alongside our internal actions, we achieved carbon neutrality through the purchase of offsets against our entire footprint.

We undertook a lengthy selection process to find carbon offset projects that deliver socio-economic benefits, including improving health and living conditions. Our selected projects are:

- providing 1.7m people in Cambodia with clean water;
- biogas projects across Vietnam; and
- forest and wildlife corridor protection in Kenya.

Carbon offsetting also plays an important role in our commitment to achieving the UN SDGs. The three offset projects we purchased each contribute to several SDGs beyond that of taking climate action.

Find out more about our offsetting strategy [here](#).

Sharing our experiences

We share learnings and insights from our journey to carbon neutrality via our dedicated [ICAEW carbon neutral web portal](#) – which we hope will encourage and help other organisations to achieve the same. This thought-provoking content has been promoted to members through ICAEW Insights during the year.

Our approach to carbon neutrality is also summarised in this [short video](#), which was launched at our Climate Change Summit and received positive feedback from members and firms.

OUR INVESTMENT PORTFOLIO

During 2021, we completed a thorough review of our investment strategy, to ensure we are targeting an appropriate level of risk and return and aligning investments with our sustainability, diversity and inclusion objectives.

In selecting managers to implement this strategy, we appointed four firms: Kempen, Rathbones, Legal & General Investment Management (LGIM) and Partners Group, taking the following factors into account:

- their commitment to Environmental, Social and Governance (ESG) research;
- the integration of ESG factors in the selection of investments;
- a commitment to stewardship and promoting strong corporate governance; and
- diversity and inclusion policies consistent with our own.

The managers will report to the ICAEW Investment Committee on their approach to managing ESG risks and opportunities, and we expect to continue developing these aspects of our investment strategy as new opportunities become available.

BUSINESS SYSTEMS TRANSFORMATION

During the last decade, our strategy, structure, activities and global footprint have evolved significantly. The core IT systems we require today to support our strategic objectives are very different from the systems we required, or were available, when our current systems were implemented.

Our core systems have been in place since the early 2000's and have served us well; while there was no short-term risk to our services, it had become increasingly complex, time-consuming and costly to maintain and enhance our systems to support business growth and new products and services.

A new platform

In 2015, a programme of work was initiated to replace these aging business applications. The aim of the programme was to move our key business processes to a modern, state-of-the-art platform that will better serve and support the delivery of our strategy. The implementation will initiate and support on-going simplification of our processes and ways of working to enable us to achieve our strategic goals in a scalable and sustainable way.

The programme would involve replacing our membership, Finance and Customer Relationship Management (CRM) applications. It is a significant change in terms of technology and change management that has required the full commitment of the business in defining requirements, amending business processes and undertaking significant testing.

Progress to date

The initial stage of the project involved selecting the new application platform and implementation partners. The evaluation selected Microsoft products as the platform and CloudThing as implementation partner.

The second stage of the programme was completed in 2017 with the introduction of a new Finance application and financial reporting tool. This is supporting 'back office' capabilities such as general ledger, supplier management, expenses management and purchase management system.

In 2018, Microsoft Dynamics CRM was implemented for the Commercial department to manage their sales pipeline and invoicing. Work also commenced on the final and most complex stage of the project; replacing the membership and CRM applications that support the main back-office operational activities. This includes membership and student management, subscription processing, organisation structures, regulatory register and enquiry management. This has involved every business area.

Final implementation

The final phase of the project has proved to be significantly more complex and challenging than anticipated as it requires enterprise-wide technological and business change.

In 2021 the focus has been on developing and testing the core Dynamics CRM application and the various interwoven data interfaces that connect to it. The programme is now in the final stages of testing and is scheduled to go live in Spring 2022.

ORGANISATIONAL RESTRUCTURE

In 2021, the scale and reach of our ambitions set out in our 10-year strategy led us to review how we operate as an organisation. A new structure came into effect in April 2021, realigning internal relationships and resources to concentrate effort on what we have to do to achieve our strategy.

The main change has included the creation of two new, Board-level appointments: the Chief Operating Officer (COO) and the Chief Financial Officer (CFO) filled by Sharron Gunn and Dabinder Hutchinson respectively.

The bulk of the organisation now reports into our new COO with functions grouped around our three Strategic Foundations, each led by a Managing Director. We also formed a separate International team, led by a Managing Director, to oversee and coordinate our activities across our international regions.

This restructure has helped to connect the individual activities of ICAEW employees with our strategic goals, promote collaboration between departments and teams and improved our ability to respond to opportunities and risks.

SUPPORTING OUR PEOPLE THROUGH THE PANDEMIC

The health and wellbeing of our employees is always our top priority. Having started 2021 in the midst of another lockdown in the UK, we continued to ensure our people felt supported and connected throughout another challenging year.

Throughout 2021, we aligned our protocols to local government guidelines to ensure our offices, activities and ways of working operated in a COVID-secure way.

Our Health and Safety Committee met regularly to assess any new government guidance and advice, and continually updated the COVID risk assessments of our premises and operations as required.



“The restructure has led to closer collaboration with the Global Engagement team as well as our policy specialists and continues to deliver positive results as we grow our international footprint.”

Kate Holroyd-Smith
Director, International Development, ICAEW



Kate was recently appointed Director, International Development

“The Front of House team have enjoyed welcoming colleagues and members back to our UK offices following the easing of COVID restrictions.”

Zuzanna Lencka
Front of House




Zuzanna, along with other Front of House colleagues, helped make our offices COVID-secure

Keeping our offices COVID-secure

Due to the nature of some critical member and student services, some offices were required to remain open during national lockdowns.

Significant work was undertaken in both our London and Milton Keynes offices to ensure they could continue to operate as safe and effective working spaces.

This included the introduction of social distancing, revised desk arrangements, implementing one-way systems, enhanced cleaning regimes and increased air ventilation.

Transition to hybrid working

The health and wellbeing of our people is at the heart of everything we do. We undertook an employee survey to gather views and understand concerns about returning to the office. As a result, in the summer, a decision was made to introduce a hybrid and flexible model for working and attendance for UK-based employees from September onwards.

Our office environments have been reconfigured to support this approach, and new flexibility provided to staff around travel arrangements and working days and hours.

In October, we also implemented a new telephone system to better support remote working and the availability of services.

Mental health and wellbeing

As well as taking steps to ensure our employees could physically work safely from home and the office, we also reinforced the need for people to consider their emotional wellbeing and mental health during 2021, with regular communications, tailored events and specialist support programmes.

This included encouraging colleagues to talk to each other, their manager or HR and/or reaching out to CABA or one of our Mental Health First Aiders.

In July, listening to employee feedback, we also reopened our buildings so that those with a personal, as well as business need, could work from the office if they considered it beneficial to their wellbeing.



"My Mental Health First Aid training has educated me on the importance of my own wellbeing and helped me understand the pressures experienced by colleagues."

Graham Dale

Head of Public Affairs & SRP, ICAEW

Graham is a Mental Health First Aider

In September 2021, we also launched Thrive – our wellness programme. Thrive gives us the opportunity to bring together all our wellbeing activities and resources under one banner and ensure that every colleague is aware of them and can access them easily.

Brand new to Thrive is menoPAUSE, a new network and resource group where women can talk about their menopause experience, and where partners or children can seek to understand more about the subject.

ADVOCATING INCLUSIVITY

We are committed to championing diversity in chartered accountancy and within ICAEW, ensuring that our institute and profession adopts best practice that brings about inclusivity. We believe that businesses and workplaces do best when they reflect the societies they serve.

OUR EMPLOYEE NETWORKS

REACH

(Recognising Ethnic and Cultural Heritage)

Our new REACH network is an inclusive group of colleagues passionate about raising the profile of issues within ICAEW of race, ethnicity and cultural heritage, and developing stronger awareness of best practice on these issues. The group, which launched in May 2021, is united by a shared sense of the values of positive representation, informed engagement, and the treatment of all individuals and groups with dignity and respect.

REACH regularly produces virtual, topical content to help educate and raise awareness among our employees on topics such as manager training, career progression, inclusive recruitment, microaggressions, bystander intervention and the impact of heritage names within the workplace.

"ICAEW recognising and being prepared to talk about the perimenopause and menopause has made me feel so relieved. I now feel I have the backing from HR to deal with this."

Wendy Drewett
Regulatory Case Manager



Wendy is Chair of ICAEW's Employee Engagement Forum



"As a mother of mixed heritage children, I am deeply committed to challenging inequalities where I see them and being part of the solution going forward."

Ally Daley
Head of Commercial Partnerships



Ally is Chair of REACH, ICAEW



The group also hosted a special talk for Black History Month in October, featuring the first Black partner at law firm Macfarlanes, who shared their personal and academic journeys into law and emphasised the importance of bringing your whole self to work, before taking questions from our staff.

Embrace

Embrace is our original Employee Resource Group, focused on creating an inclusive, supportive working environment for all our employees. It is grounded in the belief that sharing our stories and listening with open hearts and minds is the best way to help each other feel comfortable, seen and valued.

The group raises awareness of all matters relating to equality, diversity and inclusion via employee-curated content on Yammer, bi-monthly focused discussions and work with our Human Resources (HR) department and Employee Engagement Forum.

The group's Core Subject Matter Team also meets monthly to delve into an annual topic of focus, which during 2021 has been neurodiversity.

Together

Our LGBTQ+ network, *Together*, meets once a month to discuss ways in which we can promote LGBTQ+ inclusion and support LGBTQ+ colleagues. The network works closely with similarly focused groups in the accountancy sector, including the largest firms.

In 2021, *Together* played a key role in driving forward the ICAEW pronouns project, which launched on International Pronouns Day. We now offer employees the option to select their preferred pronouns for inclusion on email signatures, and to declare their sexual orientation on our internal HR systems. This is an important step towards affirmation, particularly for our non-binary and gender-fluid colleagues.

Throughout 2021 we also celebrated key dates, including LGBT History Month in February, and Pride in June.



"I'm proud that ICAEW recognises the importance of attracting and retaining diverse talent, not just within the profession; but also within the business."

Yolanda Beaumont
Senior Brand Executive, ICAEW

Yolanda is an active member and Network Officer of our *REACH* network at ICAEW

GENDER PAY GAP

In 2022 we issued our 2021 Gender Pay Gap Report.

The report showed:

- The ICAEW mean gender pay gap is 29.3% (2020: 26.6%)
- The ICAEW median gender pay gap is 31% (2020: 30.7%)

The 5 April 2021 snapshot date showed a small increase in both our mean and median gender pay gaps compared to 5 April 2020. This is because of an increase in contractors and consultants at the top end of the upper quartile, the majority of whom are men.

Our mean gender pay gap of 29.3% reduces to 23.1% when these contractors and consultants are excluded.

When comparing the 2021 mean gender pay gap excluding contractors and consultants (23.1%) to 2020 data (26.1%) – there is a 3% reduction in the mean gender pay gap.

Ensuring equal pay

We are confident that ICAEW does not have an equal pay issue and we regularly and proactively benchmark salaries to ensure that men and women are rewarded equally for the same or similar work.

Our workforce is made up of 67% women. However, men are over-represented in our most senior positions. The distribution of men and women between levels of seniority in an organisation has the greatest impact on gender pay gap reporting.

For a more detailed breakdown of our gender pay gap – including reporting on specific pay-related groups and bonus payments – you can read our full report [here](#).

Closing the gap

We recognise the significance of our gender pay gap and are committed to narrowing it. As part of our annual pay review process, we review all salaries under the lens of equal pay and adjust appropriately. While it will take time to achieve parity, we continue to take action where needed to ensure that our policies and practices remain fair and explore ideas that will help address specific challenges.

We are a signatory to HM Treasury's [Women in Finance Charter](#), pledging to support the progression of women into senior roles in the financial services sector. In 2017, we committed to having 40% of our senior management team made up of women by March 2020. We exceeded this target in June 2019 (44%) and as of September 2021, women comprise 57% of our senior management team.

KEY PERFORMANCE INDICATORS

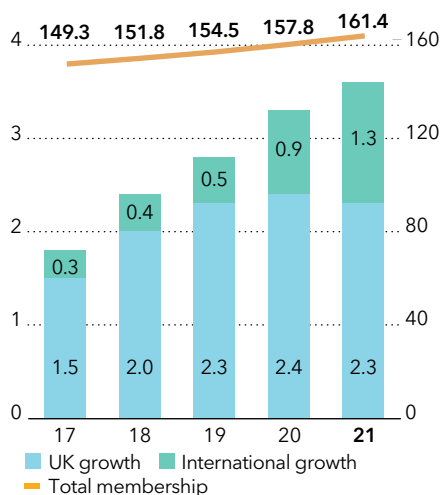
MEMBERS

At the end of 2021, our global membership had grown to 161,415 (2020: 157,801). UK membership has continued to grow in line with previous years. International growth has strengthened in 2021 and 2020, supported by the success of the Pathways scheme and introduction of a new reciprocal agreement in Hong Kong.

During the year, we welcomed 5,831 (2020: 3,926) new members into ICAEW, with admissions of newly qualified students to membership, together with reciprocal and similar arrangements with members of other institutes.

Membership growth %

Year-on-year growth 000's



STUDENTS

At the end of 2021, total ACA student numbers had grown to 33,958 (2020: 31,656).

In 2021 we achieved an ACA student intake of 11,049 (2020: 9,349) new students; of this intake 27% (2020: 31%) was from outside the UK

In addition, 8,706 (2020: 8,676) students signed up for our foundation level Certificate in Finance, Accounting and Business (CFAB) and University Students Schemes.

ACA Student growth %

Year-on-year growth 000's

