



ICAEW COUNCIL ELECTIONS

Philip Graham Varley MBA FCA

Business Appointment: Board Member

Personal introduction

I graduated with a degree in Chemical Engineering from Imperial College, London (where I am honoured to serve on the Strategic Advisory Board), and qualified as an ACA in 1982.

After working as an Audit Senior with Arthur Andersen in London, I emigrated to Denver, Colorado, obtaining an MBA and CPA while fulfilling the role of Audit Manager with Ernst and Whinney.

I then enjoyed an expansive and varied international financial career in the corporate sector. My first position putting into practice the invaluable skills I had learned through the ACA qualification was as International Controller for a software company, and subsequently as Finance Director for a division of McGraw Hill.

In the late 1990s, I was appointed CFO to two internet start-ups, successfully selling one of them!

In 2002, together with my late wife, I formed a consulting firm providing Interim CFO services, predominantly to Private Equity Groups wishing to turn-around underperforming companies. Clients included capital equipment manufacturing, technology, software, distribution, and oilfield services. The results obtained in these roles led me to publish the book "Failure Is Not An Option" describing what I believe are business best practices enabling companies to maximize their profitability.

I used this book to create University courses, and was for one semester the Monfort Visiting Executive Professor at the University of Northern Colorado. I have also taught at the University of Denver, and at Metropolitan State University of Denver.

I currently serve on the Board of the Ken-Caryl Water District.

My LinkedIn profile is:

<https://www.linkedin.com/in/philip-varley-fca-mba-cpa-878a57/>

Your involvement with ICAEW

My first trip to Moorgate Place was for a presentation of the Howitt Prize for best paper in PEII Management Accounting in 1982. I still use the gold pen I was awarded!

After being invited in 2009 to work with Michael Dexter-Smith, then president of the Association of Chartered Accountants in the US (ACAUS), I would unofficially meet with Ellen Bisnath who was ICAEW's international liaison between 2007 and 2016 if I was in London.

I was honored to have an article published in "Economia" in July 2012

Together with Tony Brommel who is currently "Head of Integrity and Markets" at ICAEW, I was an "Ethics" panelist at the American Association of Accountants annual conference in Denver in August 2012

As an active member of ACAUS for the last 11 years, I have been a Board Observer, and led the Denver Chapter since 2009. We have probably averaged four in-person meetings per year with an average attendance of about 10. The consensus among my group members is that such in-person meetings are what creates the most value for them in renewing their ICAEW membership.

In September 2020, I produced a 1 hour CPE Session on "CFO's Profitability Improvement Techniques" as an ACAUS/ICAEW webinar which had 80 attendees.

I have always enjoyed mentoring, as witnessed by my University Adjunct Professorships, and the fact that as a CFO in the USA, I have sponsored many of my staff – accounting managers, controllers, payroll and receivables clerks to sit for the CPA qualification, to both increase their knowledge of the finance function and also improve their careers. I would like to extend the ICAEW outreach programs to a broad swath of university departments beyond accounting, because surveys have shown that in many cases, at the professional exam level, engineering and mathematics graduates performed better than accounting graduates.

Motivation and ability to be a member of Council

I am running for Council because I have believed for over 40 years that the Chartered Accountancy designation is the absolute best qualification in the world for auditors, CFOs, government and top civil servants, Board members, and CEOs. I would like to see it further promoted.

Because I have held industrial management positions for the last thirty years, I would also like to provide input from the "user side" of financial regulation, as I often have on a number of FASB proposals in the past. It is imperative that the practical effects of implementation of a proposed accounting standard are adequately considered before its introduction.

If the Institute could become even more relevant to those members who no longer reside in either England or Wales, and those who are no longer in Practice, there might be a significant increase in membership retention and fee income from such members, and the Institute would have a wider sphere of influence.

As a retired CFO, I am ideally positioned to fulfil my obligations to be an effective US member of Council. I control my own schedule, and am able to dedicate the time necessary, which I estimate to be a minimum of 30 days per year to properly perform the responsibilities, together with the flexibility to attend all five meetings during the year.

Strategic focus:

With the audit profession once more coming into the limelight from a number of “Failed Audits”, for example, Wirecard, Thomas Cook, Carillon, the ICAEW can and should play a leadership role in improving the reputation of its members.

In today’s “always on” environment, the focus of the media is usually on the outrageous, and the focus in many companies, pressured by investors, is to make decisions in the best interests of the current quarter’s results. These situations often encourage organizations to take a short term approach, and sometimes short-cuts. ICAEW has always led the world in ethical responsibilities, but it is not necessarily leading the worldwide financial profession, as, I believe it should be, in other areas where it could. I would like to use my position on Council to guide the ICAEW to increase its already highly regarded influence to greater effect, so that ICAEW is seen as such an expert group that governments seek out ICAEW for independent advice and cost/benefit analyses of major policy decisions.

I would like to ensure that the voice of the many members who reside in the USA is heard, as well as making the Institute just as relevant to such members as it is to those who reside in the UK. I would also like to see more transparency between Council and members. Currently, no details of meetings, even their future meeting dates, are available to rank and file ICAEW members. I believe that the more members are aware of matters under consideration that affect the profession, the more they would contribute to the discussion at a time when they could have an impact on the direction taken by ICAEW.

My knowledge and skills would help ICAEW’s strategic development in many areas. I have been responsible for the development of many businesses’ strategic and operational plans, leading to successful growth, capital raising, acquisitions and sales.

I have had much relevant “advisory/governance/academic” board experience over the last 16 years:

I currently serve as a publicly elected Director of the Ken-Caryl Water District, a Colorado Municipal District owned and operated by and for its members. I had held this role for 8 years between 2004 and 2012, the last two years of which as Chairman of the Board, before being term limited by government regulations. In the election of 2020 I was re-elected, and I resumed the application of private sector best practices to a governmental entity.

In the UK, I serve on an academic Strategic Advisory Board at Imperial College, from where I obtained my degree in Chemical Engineering. The initial goal of such Board, when it was created in 2013, was to regain recognition as the UK’s best and one of the world’s top three Chemical Engineering departments. Having accomplished that objective, and with the “success breeds success” which comes with that, especially in terms of research grants, which have more than doubled in six years, we are now focusing on using the College’s

influence in helping provide solutions to some of the world's macro problems. Success on this volunteer board, composed as it is with long serving in-situ Academic Heads, and external alumni, has required patience, tact and diplomacy, to exert influence where there is no positional authority.

At the Corporate Governance level, in 2013, I was CFO of the NASDAQ traded Qualstar Inc., (QBAK), where my every move was overseen by the SEC. As any CFO who has occupied such a position understands, the obligations of SARBOX which we FCAs take for granted, are not so readily accepted by other required signatories to the financial statements, and a great deal of patient and tactful explanation is often needed to ensure that other executives fully appreciate their obligations.

The skills honed in these three roles are especially relevant in helping to achieve influence and results while being part of a Governance Board. Notwithstanding the approach required, I am not afraid to ask the hard questions, or make unconventional suggestions.

Communication with members in your constituency:

Being a member of Council requires good communication between the Institute and the members.

On the one hand, as the Council is made up of geographical constituencies, the role provides an opportunity to provide US specific perspectives. Within the US, we have possibly one of the more active international branches of the ICAEW, through ACAUS , whose executive is significantly engaged in advocating for US members, and maintaining an international perspective in policy decisions.

The reciprocal obligation is that by being a Council member, I will be able to communicate back to ACAUS subjects being deliberated at Moorgate Place while there is still opportunity for members to shape the discussions and have early involvement in decisions.

I will communicate to my constituents through in-person Chapter meetings, and via Zoom conference calls.

Nominators

Mr J G Taylor FCA

Ms A Halliday BA ACA

Mr A P Simpson MA BFP ACA

Mr G D Aldridge MA BSc FCA

Mr Anil Kapur FCA

Declaration of interests which are relevant to the business of ICAEW

Membership of, or interests in, formal bodies or groups, including other professional bodies ⁱ :	Financial Executives International – member Turnaround Management Association - member
Membership of ICAEW Council, ICAEW Boards and other ICAEW committees:	Chartered Accountants Worldwide (formerly Association of Chartered Accountants in the US). Denver Chapter Head and US Board Observer
Partnerships, Directorships or beneficial interests in companies:	Director of Ken-Caryl Water and Sanitation District, a Colorado governmental entity. Member of the Strategic Advisory Board for the Department of Chemical Engineering at Imperial College London.
Professional or social relationships with individuals who have business relationships or who compete with the ICAEW:	US CPA – an organization with whom we are seeking closer ties rather than competition!
Any other matters you feel should be identified:	None

ⁱ This includes employment by a professional body.