

**Meeting:** Regulatory Board  
**Location:** Baobab Room, The Adelphi, 1 – 11 John Adam Street,  
London, WC2N 6AU  
**Date:** 13 November 2018, 13.45 – 16.30

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**PRESENT:**

The Chairman (Antony Townsend), John Cullen, Ronnie Patton, Geoffrey Podger, David Thomas, and Suzy Walton.

**IN ATTENDANCE:**

Executive Director – Governance (Maggie McGhee), Director – Regulation (Sundeep Takwani), Head of Standards (Ian Waters), and Standards Manager (Laura Murphy)

**APOLOGIES FOR ABSENCE**

Apologies for absence were received from Frances Walker and Ros Wright. The Chairman noted that this was the last meeting for these Board members and thanked them for their contributions.

**1. MINUTES**

The Board approved the minutes of the meeting held on 10 September 2018.

**2. CONFLICTS OF INTEREST**

There were no potential conflicts of interest and/or duty notified to ACCA following the distribution of the meeting papers.

**3. CHAIRMAN'S REPORT**

The Board noted a presentation from the Chairman of the Board on developments since the last meeting. The Board noted that there had been good engagement with the ACCA team, in particular on the development of the work plan for the 2018-2019 Council Year.

**4. PRESENTATION FROM THE EXECUTIVE DIRECTOR – GOVERNANCE**

The Board noted a presentation from the Executive Director – Governance, which covered the following areas:

- independent government reviews on audit
- Financial Reporting Council (FRC) developments

- Office for Professional Body Anti-Money Laundering Supervision (OPBAS)
- insolvency  
and
- Brexit matters, including an update on auditor recognition.

The Board agreed that it should be provided with:

- a copy of ACCA's response to the invitation to comment on the Competition and Markets Authority's market study into the statutory audit market  
and
- an annual update on ACCA's regulatory arrangements for insolvency, including a report on the regulatory activities undertaken by the Insolvency Practitioners Association (IPA) in regard to ACCA insolvency practitioners under the collaboration arrangement.

## **5. REGULATORY BOARD WORK PLAN FOR THE 2018-2019 COUNCIL YEAR**

The Board considered the work plan for the 2018-2019 Council year and how the scheduled items of business for each of the Board's meetings are aligned to the Board's terms of reference. In particular, the Board noted that the learning sessions have been replaced by an end-to-end review of Licensing and Practice Monitoring.

The Board noted that it needs to review how it meets its responsibility to develop and adopt policy statements in respect of non-operational regulatory and disciplinary matters as may arise from time to time. The Board also noted that it should consider ACCA's strategic plan and provide feedback to Council on regulatory aspects. The Board agreed that:

- the work plan should demonstrate a clearer link to the Board's involvement in the development and review of regulatory policy
- emerging regulatory policies should be a standing item in the presentation from the Executive Director – Governance  
and
- it should receive a presentation on the development of ACCA's 'Strategy to 2025' at a future meeting.

The Board approved the work plan, subject to the inclusion of:

- an annual review of ACCA's regulatory arrangements for insolvency, including regulatory activities undertaken by the IPA under the collaboration arrangement
- an annual review of ACCA's strategic plan, including the formulation of strategy and consideration of regulatory aspects  
and

- a review of the terms of reference of the Appointments Board and the respective responsibilities of the Board and sub-Boards (November 2019).

## **6. REPORTS FROM THE STANDARDS, APPOINTMENTS AND QUALIFICATIONS BOARDS**

The Board received reports from the Chairmen of the Standards, Appointments and Qualifications Boards. The following key points were noted:

### Standards Board

There was nothing to report since the last meeting.

### Appointments Board

- the new Competency Framework regime for monitoring the performance of Panel members is proving a very useful resource
- and
- an extensive recruitment programme to recruit lay members, chairmen and accountant panel members is due to take place in 2019.

### Qualifications Board

- following the necessary due diligence, the Qualifications Board ratified the September examination results
- and
- the new Strategic Business Leader and Strategic Business Reporting papers were examined for the first time in September, replacing the former Professional level examinations P1-P3. The Board expressed its pleasure that the Strategic Professional examinations have been successfully introduced.

## **7. APPOINTMENT OF CHAIRMEN TO THE APPOINTMENTS, QUALIFICATIONS AND STANDARDS BOARDS**

The Board agreed the re-appointment, on an annual basis, of:

- Suzy Walton as Chairman of the Qualifications Board
- and
- John Cullen as Chairman of the Standards Board.

The Board deferred the appointment of a Chairman to the Appointments Board to a later meeting due to forthcoming changes in the membership of the Board. The Board agreed that Antony Townsend would act as interim Chairman of the Appointments Board.

## 8. PERFORMANCE DATA AND STRATEGIC CONTEXT

The Board discussed and noted the performance data and strategic context paper. The Board agreed to review the performance data and strategic context paper before the next meeting and ensure the data content and qualitative context continues to meet the Board's expectations.

## 9. LEAD REGULATOR UPDATE

The Board noted an update on ACCA's interactions with its lead regulators. In particular the Board noted that:

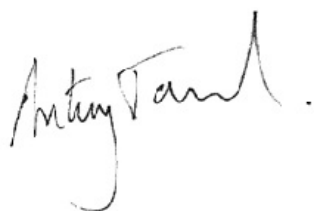
- the FRC has completed its on-site visit to review ACCA's audit licensing arrangements and accompanied audit training office monitoring visits, and no substantive issues were raised
- and
- in relation to the Irish Auditing & Accounting Supervisory Authority (IAASA) document 'General guidelines for the recognised accountancy bodies when performing regulatory functions in respect of statutory auditors', ACCA welcomes the more principles-focussed approach. However, ACCA continues to liaise with IAASA on the guideline document, in particular with regard to the requirement to provide reports relating to regulatory functions issued by a third party.

The Board also received a presentation from ACCA's Head of Standards in relation to the Legal Services Board (LSB) consultation on the new Internal Governance Rules (IGR).

The Board agreed that it would like to be kept informed of ACCA's engagement with the LSB and other approved regulators on the IGR, and the development of our response to the consultation.

## 10. DATES OF FUTURE MEETINGS

The Board noted the dates of Regulatory Board meetings in the 2018-2019 Council year. In particular, the Board received confirmation that the meeting scheduled to take place on 14 May 2019 is an AM meeting.



Chairman