

Think Ahead

ACCA

Report on regulation 2015



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Introduction

ACCA's mission is to:

- provide opportunity and access to people of ability around the world and support its members throughout their careers in accounting, business and finance
- achieve and promote the highest professional, ethical and governance standards
- advance the public interest
- be a global leader in the profession.

This Report on Regulation demonstrates how ACCA strives to achieve this through a robust regulatory framework.

Accountants and their professional bodies have a central role in promoting the public interest and delivering public value globally. ACCA strives to deliver public value by promoting responsible and ethical business and supporting enhanced global economic performance.

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

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

REGULATORY FUNCTIONS OF ACCA

This report reflects on ACCA's regulatory activities during 2014, and reports on ACCA's achievements in regulation in the calendar year 2014. ACCA's regulatory activities comprise:

- qualification and examinations – developing ACCA's education and learning framework and ensuring the integrity of ACCA's examination process
- licensing – issuing certificates and licences to members involved in certain types of work, including auditing and insolvency work, so long as they meet ACCA's standards for qualifications and experience
- complaints and discipline – conciliating service complaints, and investigating and dealing with alleged misconduct by its members and students
- monitoring – monitoring compliance with standards, rules and regulations, providing monitoring services to other regulators, and promoting best practice as part of the ACCA Quality Checked accreditation programme.

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

ACCA's regulatory and disciplinary framework is subject to oversight by a robust and independent Regulatory Board ('the Board'). In 2014, the Board was restructured and now also provides oversight of ACCA examinations and other matters in relation to the integrity of the qualifications process. The majority of the Board's members are non-accountants. Full details of the Board's regulatory policies and activities, including minutes of Board meetings, are available at **www.accaglobal.com**

Regulatory Board chairman's statement

Accountants – like other key professionals in modern societies – are required to serve more than one master. Around the world members of ACCA practise on the boundaries between private and commercial interests and the interests of society. All parts of society – be they clients, shareholders, employees, investors, governments – may depend upon the competence and integrity of accountants. For that reason, ACCA accountants – while delivering high quality services to their clients – must also abide by strict and high ethical standards – a challenging task.

It is on behalf of all the societies in which accountants practise that ACCA sets the standards for, and supports and monitors the practice of, its members. The Regulatory Board of ACCA – with a majority of independent members – exists to ensure and demonstrate that the public interest remains paramount in the practice of ACCA accountants, and that all members of the Association will be held to account if they fall short of the required standards.

The Regulatory Board – whose membership and structure were reformed in autumn 2014 – has started to look at the totality of the regulatory functions to ensure that they remain fit for purpose in a complex and changing world. This report explains where we are concentrating our attention, as well as reporting on ACCA's day-to-day functions.

ACCA's day-to-day functions – considering applications for membership, licensing firms, taking regulatory and disciplinary action in public hearings – are fundamentally sound but face the challenge – familiar to almost all regulators – of increasing workloads and complexity. We are in the midst of a programme of overhauling these processes to ensure that they are efficient and effective. Further details are contained in the report.

However, there is a danger of considering regulation too narrowly – as a bureaucratic function for maintaining registers and punishing the wrongdoers, rather than as a tool for assuring quality and mitigating risk. The Board and its sub-Boards – Standards, Qualifications, and Appointments (which oversees the appointments of independent members of regulatory panels) – have begun a fundamental appraisal of the risks to the public interest, to ensure that we are identifying the right risks to the public interest, and using the right regulatory tools to address them.

Regulatory Board chairman's statement

Discipline is not the answer to many problems. For example, it may be that investing more effort at the primary education stage of accountants, and reinforcing that with targeted continuing professional development (CPD), is a more effective means of protecting the public interest than disciplinary hearings and public erasures. Seat belts are cheaper than, and preferable to, ambulances.

Throughout our work, our focus is upon the fundamental ethical and professional principles of ACCA members, as well as technical competence. We may not be doing enough to emphasise those principles and help the members to abide by them. Members need to be assisted to comply, particularly in challenging environments, and regulation needs to play its part in supporting the willing.

ACCA is right to be proud of its commitment to the public interest, and its voluntary adopting of independent oversight of its regulatory functions. The Regulatory Board will play its part in ensuring that the quality and integrity of ACCA accountants can be relied upon across the globe, and that the regulatory framework is robust, transparent and fit for the challenges of the 21st century.

A handwritten signature in black ink, reading "Anthony Townsend". The signature is written in a cursive, flowing style with a period at the end.

Anthony Townsend
Chairman, Regulatory Board

Executive director's statement

ACCA first established a lay-majority Regulatory Board in 2008. In the intervening years, the Board has carried out effective oversight of ACCA's core regulatory functions and, where appropriate, provided challenges to existing orthodoxies and ways of doing things.

One of these challenges was around how the Board might be positioned to have a more rounded view of the entire end-to-end regulatory process. In response, ACCA took the decision in 2014 to broaden the Board's public interest remit to include oversight of the integrity of the qualification process.

A new structure was required to enable the Board to take on this wider role, with the Board itself becoming a little smaller (but still with a lay majority) and three new boards being set up to provide the main board with support in the areas of appointments, qualifications and standards.

The new structure of public interest boards has also brought benefits for the wider ACCA Council committee structure, providing greater clarity that its purpose is to provide oversight over ACCA's overall strategic development as a professional body and its ambition to be number one in providing the professional accountants the world needs.

The various teams across ACCA involved in the delivery of ACCA's public interest functions greatly welcome the positive and constructive challenges which the Regulatory Board and the three new subsidiary boards are bringing to bear, helping ACCA to hone its regulatory processes. This particularly applies to ACCA's statutory obligations.

ACCA has worked hard over the past year to better understand the expectations of the UK Financial Reporting Council (FRC) in respect of audit matters. The working relationship with FRC is very good and ACCA warmly welcomes the positive and constructive manner in which FRC works to ensure we meet our common goal of having effective regulatory processes for audit in place.

The audit landscape will see considerable change over the coming year or so, with the incorporation of a new EU Audit Directive into the national legislation of EU member states. The ACCA Regulatory Board takes a particularly close interest in how ACCA meets its statutory obligations and in so doing will help ensure ACCA continues to meet FRC's expectations as these change and evolve in accordance with the requirements of the new legislative framework.



Peter Large
Executive Director – Governance

ACCA Regulatory Board

ACCA took the initiative in 2008 to establish independent oversight of its regulatory functions. It is generally recognised that this decision has been a successful one.

Among the achievements of the system since its inception have been:

- putting in place and overseeing a robust framework of rules and regulations to govern all the regulatory functions of ACCA
- professionalising the arrangements for the employment of disciplinary and licensing panel members, chairmen, legal advisers, regulatory and disciplinary assessors, including arrangements for the appraisal of the performance of those people
- the development of strong working relations between the independent members of the Board, Council members, and the executive team, with a common sense of purpose.

The result of all this work, which has taken several years to come to fruition, is that ACCA has a regulatory framework and oversight system which compares favourably with other similar bodies, and is seen as fundamental to ACCA's public value objective. This puts ACCA in a strong position to take forward the next stage of its strategic work.

In 2014, ACCA's Council agreed that the Regulatory Board should take an enhanced public interest role. These new and enhanced public interest arrangements now include oversight of ACCA examinations and other matters in relation to the integrity of the qualifications process.

New Appointments, Qualifications, and Standards Boards have also been established, reporting into the Regulatory Board. The chairmen of these sub-Boards sit on the Regulatory Board. These sub-Boards, in turn, have a range of experienced members.

The bringing together of all the public interest functions – setting qualifications and assuring their delivery, setting professional standards, and the licensing and disciplinary system – under a single Board, coupled with the arrival of new non-executives on the boards, has given the Board the opportunity to review the current state of the functions, and consider where the principal opportunities and risks lie. It has also given the Board the opportunity to consider how the new Regulatory Board should best work with the executive team to discharge its functions.

THEMES FOR DEVELOPMENT

The Board has started to consider how ACCA's public interest functions might continue to develop. It has identified a number of themes:

- **Risk** – There is a tendency in all regulatory organisations for regulatory functions to focus upon what they have always done, rather than standing back and considering where the principal risks to the public interest lie, and whether the current functions are properly addressing them.

Allied to this is the question of which regulatory tools to use to mitigate a particular risk. For example, the risk of accountants behaving unethically is not simply a matter for the disciplinary function, but might be more effectively addressed through the curriculum, through CPD, and by the more effective promotion of the core standards of the profession.

This means that there need to be effective ways in which each part of the public interest functions – standards, education, discipline – communicate with each other to ensure that they are operating in a complementary fashion, and that emerging themes in one area are picked up by the others.

To address this, the Board will review ACCA's ability to identify risks to the public interest, and then to ensure that those risks are effectively mitigated by the public interest functions.

- **ACCA's global reach** – Although the public interest jurisdiction applies across the globe, much of ACCA's regulatory work, particularly with regard to audit and insolvency work, is focused upon the UK and Ireland. Over the next three years, the Board intends to review the way in which the public interest functions work in other jurisdictions, including ACCA's relationships with other regulatory bodies, to ensure that the system remains relevant, proportionate, and fit for purpose.
- **Visibility of ACCA's standards** – There needs to be a clear understanding that effective regulation in the public interest is critical to the interest of all ethical professionals who belong to ACCA and to the profession as a whole. For that reason, one of the strands of the Board's work programme is to oversee how ACCA promotes its ethical and professional standards both externally and internally.

Qualification and examinations

The ACCA qualifications are structured to provide development and progression from the Foundation-level qualifications (CAT) through the Fundamentals and Professional level examinations to the ACCA Qualification.

The ACCA Qualification focuses on three key value propositions comprising exams, ethics and work experience. ACCA, with its network of offices, approved learning partners and employers worldwide, supports students and members to develop successful careers by providing opportunity for learning and development. In partnership with Oxford Brookes University, UK, a BSc in Applied Accounting and a Global MBA is also available.

Ensuring our students receive the highest quality education support is of utmost importance to ACCA. The Approved Learning Partner programme was introduced to give formal recognition to tuition providers who have demonstrated their success in providing students with quality tuition support. The tuition providers are assessed on one set of global accreditation standards.

There are 8,500 organisations worldwide who partner with ACCA through the ACCA Approved Employer programme. The ACCA Approved Employer programme recognises employers' high standards of staff training, accountancy resources and staff development. ACCA Approved Employers comprise organisations from varying sectors which include the Big-4 accounting firms, Deloitte, PwC, Ernst and Young, and KPMG.

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

Qualification and examinations

QUALIFICATIONS BOARD

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

Outputs – Number of exam sittings and papers entered		
Exam sitting	No. of candidates	No. of papers entered
December 2014	186,519	316,420
June 2014	188,606	332,839
December 2013	194,753	347,148
June 2013	195,276	357,896
December 2012	199,335	367,926
June 2012	194,608	369,510

In the June 2014 sitting the overall average pass rate for Skills and Professional papers went up from 42% to 43%. The average for the Skills papers was 44% for this session, an increase of almost 3% on the last session (December 2013), while the average pass rate for the Professional papers remained the same for the third session in a row at 43%.

In the December 2014 sitting the average pass rate increased again to 44%. The average pass rate for the Skills paper went up by 1% to 45%, and for this session the average pass rate for the Professional papers also increased by almost 1% to 43.9%.

Licensing

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

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

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

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

PRACTISING CERTIFICATES

ACCA members in any part of the world performing work meeting ACCA's definition of public practice are required to hold ACCA practising certificates. This includes members who already hold licences from local or national bodies in accordance with local practising requirements. The ACCA practising certificate confers the right to undertake all practice work, unless local laws or regulations require an additional qualification or licence for a specific type of work (eg audit work).

ACCA AS A STATUTORY REGULATOR

- **Audit** – An ACCA member wishing to carry out work reserved for statutory auditors in the UK or the Republic of Ireland must hold a practising certificate and audit qualification. Only members who have passed the relevant examination papers and gained the necessary practical experience are eligible for a practising certificate and audit qualification.

Firms who hold, or intend to hold, audit appointments in the UK or Ireland require audit registration from a Recognised Supervisory Body such as ACCA. A firm registered with ACCA for audit purposes must hold a firm's auditing certificate.

- **Insolvency** – Any person in the UK who wishes to hold appointments regulated by the Insolvency Act 1986 (as amended) or Insolvency (Northern Ireland) Order 1989 (as amended) must first obtain an insolvency licence from a Recognised Professional Body or competent authority. ACCA is a Recognised Professional Body, and issues insolvency licences to members and non-members who are eligible to undertake this work.
- **Investment business** – ACCA is an Approved Professional Body in the Republic of Ireland under the Investment Intermediaries Act 1995. This permits ACCA to authorise eligible practising firms to conduct specific restricted investment activities. Firms wishing to undertake these activities must obtain an investment business certificate (Ireland).

In the UK, ACCA is a Designated Professional Body (DPB) under the Financial Services and Markets Act 2000. This enables ACCA to regulate firms undertaking a limited range of exempt regulated activities, including insurance mediation. The provision of such services to a client must be incidental to the provision of accountancy services to that client.

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

Outputs	Dec 2014	Dec 2013
Practising certificate holders	12,997	12,486
Practising certificate and audit qualification holders	3,935	4,094
Audit firms in the UK and Ireland	2,276	2,434
Licensed insolvency practitioners in the UK	151	161
Investment business certificates (Ireland) in issue	106	108
Firms holding DPB registration in the UK	1,371	1,207

In 2014 the number of members holding a practising certificate increased in line with expectations, whereas the number of members holding the practising certificate and audit qualification fell. At the end of 2014, 159 fewer members held the practising certificate and audit qualification, in part due to members relinquishing their audit qualification as they no longer had any audit clients.

The number of firms holding audit registration fell accordingly, with 158 fewer firms holding audit registration by the end of 2014. Authorisations by ACCA to conduct investment business and insolvency work have remained relatively stable.

Complaints and discipline

ACCA deals with complaints in respect of its members and students, including allegations of conduct unbecoming professional accountants. Complaints are received from a variety of sources including dissatisfied clients and employers of members, other practitioners, members of the public and referrals from departments within ACCA. Complainants are able to lodge a complaint by completing a complaint form, which is easily accessible on the ACCA website, although use of the form is not essential. ACCA's responsibilities encompass conciliation, investigation and discipline. In all of these areas, ACCA acts in the public interest and in accordance with the principles of better regulation. It strives to take effective and proportionate disciplinary action, where appropriate, while carrying out procedures that are consistent and transparent.

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

ACCA's conciliation service, provides conciliation, mediation and arbitration, where disagreements involving ACCA members are appropriate for such resolution. This is achieved by finding a solution that is acceptable to both parties, while ensuring that any need for disciplinary action is also further investigated. The conciliation exercise helps reduce the burden on the Investigations department, so that its work may be targeted towards the cases where thorough investigation is justified.

DISCIPLINARY COMMITTEE

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

The Disciplinary Committee itself is independent of ACCA – chosen from a panel of committee members appointed by the Appointments Board in accordance with ACCA's Regulatory Board and Committee Regulations. Hearings of the Disciplinary Committee are open to the public. The procedures to be followed at disciplinary hearings are set out in the Complaints and Disciplinary Regulations and in the Guideline Disciplinary Sanctions. The Guideline Disciplinary Sanctions clearly set out the framework for decision-making and the wide range of sanctions available to the Disciplinary Committee.

Complaints and discipline

Pre-hearing news releases are published on the ACCA website, notifying the general public of the cases that are to be heard. Following a hearing, the Committee's written reasons for its decision are provided to the member or student; the Committee's reasons for decisions are also publicised on ACCA's website. If there has been a finding against that person, publicity of the decision by way of a press release is automatic. The Committee has discretion to limit the circulation of the press release and, in exceptional circumstances, to anonymise it. Publicity will be on ACCA's website and also sent to a newspaper local to the member's area of practice or the student's town of residence.

Outputs – Complaints	2014	2013
Complaints in hand at the start of the year	572	478
Complaints allocated during the year	514	697
Complaints closed after initial review	36	98
Complaints deleted for Data Protection reasons	0	0
Complaints closed following conciliation	112	108
Complaints closed following an investigation	390	323
Complaints closed following a disciplinary hearing	87	74
Complaints in hand at the end of the year	579	572
Average months to complete disciplinary investigations	14.3	15.1
Average months to complete disciplinary investigations, excluding delays beyond ACCA's control ¹	10.4	11.2
Average months to complete investigations which did not lead to disciplinary action	4	8.8

¹ Excludes periods in which investigations could not be progressed due, for example, to the need to await the outcome of court proceedings.

Complaints and discipline

Outputs – Hearings²	2014	2013	2012
Number of Disciplinary Committee hearings	115	123	56
Number of Admissions and Licensing Committee hearings	47	66	36
Number of Appeal Committee hearings	18	22	13
Total number of hearings	179	211	105
Number of cases concluded by Disciplinary Committee	91	93	88
Number of cases concluded by Admissions and Licensing Committee	71	77	79
Number of cases concluded by Appeal Committee	13	16	20
Total number of cases concluded	175	186	187

In 2014, ACCA saw a considerable reduction in complaints received (514) compared to previous years (2013 – 697, 2012 – 742) and it is difficult to ascertain the exact reason for the large reduction in complaints. As a consequence of both the reduction in complaints received and the provision of additional resources, there has been a reduction in the average time taken to complete investigations that did not require disciplinary action from 8.8 months to 4 months. There has also been a marked reduction in the time taken to complete disciplinary investigations.

With the reduction in time taken to complete investigations, there will inevitably be some impact on the wait time before a case can be listed and heard. ACCA is conscious that any such impact on wait time should be kept to a minimum and has therefore secured the necessary resources to allow it to schedule additional hearings to hear the cases as soon as practicable.

² Where a case has been scheduled for two or more days, this counts as one hearing. These were more frequent in 2014. There were 209 hearing days in 2014, while in 2015 310 hearing days are scheduled.

Monitoring

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

UK AND IRELAND

ACCA's statutory recognition in the UK and Ireland as a licensing and supervisory authority for auditors, insolvency practitioners and investment advisers requires it to undertake a comprehensive programme of monitoring visits to licensed firms, audit training firms and individuals on a defined cyclical basis. This work is undertaken by ACCA's Monitoring department. During 2014, ACCA was inspected by the Financial Reporting Council (FRC) for audit work in the UK and the Irish Auditing and Accounting Supervisory Authority (IAASA) for audit work in Ireland. ACCA's monitoring methodology was examined for continued effectiveness, and a sample of monitoring files was subjected to rigorous review by each body to assess adherence to that methodology. Both the FRC and IAASA were broadly satisfied with ACCA's monitoring arrangements.

ACCA also received an inspection visit from the Insolvency Service and the Department of Enterprise, Trade and Investment (Northern Ireland) regarding insolvency work. The inspection report highlighted several positive findings but did make a number of recommendations. The Insolvency Service plans to carry out a follow-up visit to assess whether the recommendations contained within the report have been implemented.

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

GLOBAL MONITORING ACTIVITIES

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

In 2014, ACCA had contracts with 12 other professional bodies and regulators to undertake audit monitoring on their behalf, using the audit monitoring methodology it applies in the UK and Ireland, adapted as necessary. However, four of these contracts ceased at varying points in 2014. During 2014, ACCA undertook monitoring visits for 10 of these clients.

In addition to those practising members that are covered by the arrangements described above, there is a small number of ACCA members that practise in countries that do not have, and are unlikely to implement, a programme of monitoring. These members and their firms are subject to direct monitoring by ACCA, which involves targeting members and firms that may carry a higher level of risk.

Monitoring

OTHER ACTIVITIES

ACCA undertakes a number of consulting assignments, usually funded by the World Bank or the Inter-American Development Bank, to strengthen systems of regulation for accountants in other jurisdictions.

In recent years, consulting assignments have been undertaken for:

- the Ministry of Finance, Poland
- the Eastern, Central and Southern African Federation of Accountants
- the Institute of Chartered Accountants of Jamaica
- the Institute of Chartered Accountants of Trinidad and Tobago.

MONITORING METHODOLOGY

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

- the recruitment of specialist staff with extensive experience in their specialism, who undergo practical training in the application of ACCA's monitoring methodology before being authorised to undertake monitoring visits
- a holistic approach to monitoring, taking into account the characteristics of the member, the firm, their clients and the nature of the professional services they provide to the public
- a risk-based approach which enables ACCA to target certificate holders identified as posing high risks for more frequent monitoring visits
- an examination of the licence holder's procedures, processes and quality controls. This is supplemented by an inspection of audits, cases and transactions to ensure that they are applied effectively
- a highly developed assessment process to consider the seriousness of any instances of non-compliance identified, prior to concluding whether the monitoring visit has a satisfactory or unsatisfactory outcome overall
- a focus on assisting firms or individuals to improve the quality of their work, using regulatory processes only where they are required in the interests of the clients and the public
- forms of reporting, appropriate to the professional services provided by the firm or individual, that communicate clearly the results of the monitoring visit, and assist in rectifying any breaches or deficiencies for the future

- an internal quality control system to ensure that all monitoring visits are conducted in accordance with ACCA's requirements. This is to ensure that ACCA may be confident that the overall outcome of a monitoring visit has been determined in accordance with ACCA's basis of assessment, and that the report issued is clear and will assist the licence holder.

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

ADMISSIONS AND LICENSING COMMITTEE

The monitoring of ACCA practitioners and firms is performed with the objective of protecting the public. Where work performed fails to reach the required standard, the measures available to ACCA include referral to a regulatory assessor or to the Admissions and Licensing Committee. Although an assessor may impose conditions on a certificate, only the Committee may remove a member's certificate or licence. The Admissions and Licensing Committee is independent of ACCA, and is chosen from the same panel of committee members as the Disciplinary Committee. As with the Disciplinary Committee, hearings of the Admissions and Licensing Committee are held in public.

The procedures followed by the Admissions and Licensing Committee are set out in ACCA's Authorisation Regulations and the Guidance for Regulatory Orders, which are available on the ACCA website. The Guidance for Regulatory Orders provides guidance on the range of options available to the Admissions and Licensing Committee when considering what orders to impose upon an individual or firm. It also provides transparency, so that members and others are aware of the range of orders available to a Committee. ACCA is also available to provide further information to those participating in regulatory or disciplinary procedures. The Guidance for Regulatory Orders also helps to ensure that orders made are consistent and proportionate.

Notices of hearings of the Admissions and Licensing Committee are published on the ACCA website. The decisions of the Committee are also published on the website and issued to a newspaper local to the member's area of practice. As in the Disciplinary process, the member is named, except in exceptional circumstances.

Monitoring

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

Outputs – Number of Visits		
Visit Type	2014	2013
Audit – UK and Ireland	347	392
Audit – UK and Ireland – training auditors	691	584
Audit – Global	223	229
Investment business – Ireland	26	29
Insolvency	³ 46	33
ACCA Quality Checked – UK and Ireland	122	226
ACCA Quality Checked – Global	87	96

The number of audit monitoring visits fell between 2013 and 2014. There were also fewer Irish investment business visits in 2014. However, the population of firms visited each year will be different and therefore it is difficult to compare one year to another or to draw any reliable conclusions. The number of insolvency visits increased in 2014. This can be mainly attributed to a third compliance officer being recruited to replace a long-term absentee. A further 108 (2013: 126) firms, which held audit registration but had no audit clients, were also monitored in 2014. The majority of these were monitored using a desk-top questionnaire.

During 2012, in response to a call for enhanced audit quality in the UK and Ireland, ACCA started to demand action plans from those firms in respect of which audit work was found to be unsatisfactory. In 2014, this practice has become well-established, and resources have been applied to reviewing the action plans received, to ensure that firms have addressed shortcomings appropriately. In future years, follow-up visits to those firms will measure compliance with agreed action plans.

ACCA publishes statistics on its monitoring activities which can be viewed at <http://www.accaglobal.com/uk/en/member/professional-standards/regulatory-board.html>.

3 These are for full Insolvency monitoring visits. There were also 15 introductory visits carried out to insolvency practitioners who had recently received a licence from ACCA. Introductory visits are advisory in nature and are not usually given an outcome.

About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

Founded in 1904, ACCA has consistently held unique core values: **opportunity, diversity, innovation, integrity** and **accountability**. We believe that accountants bring value to economies in all stages of development. We aim to develop capacity in the profession and encourage the adoption of consistent global standards. Our values are aligned to the needs of employers in all sectors and we ensure that, through our qualifications, we prepare accountants for business. We work to open up the profession to people of all backgrounds and remove artificial barriers to entry, ensuring that our qualifications and their delivery meet the diverse needs of trainee professionals and their employers.

We support our 170,000 members and 436,000 students in 180 countries, helping them to develop successful careers in accounting and business, with the skills required by employers. We work through a network of 91 offices and centres and more than 8,500 Approved Employers worldwide, who provide high standards of employee learning and development. Through our public interest remit, we promote appropriate regulation of accounting and conduct relevant research to ensure accountancy continues to grow in reputation and influence.

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