

Think Ahead

ACCA

ACCA
integrated
report

for the year ended
31 March 2015

**Seeing
further,
doing
more**

About ACCA

ACCA (the Association of Chartered Certified Accountants) is a leading international professional accountancy body incorporated by Royal Charter in the UK.

Today we are an international family of 178,000 members and 455,000 students supporting economic growth in 181 countries



Founded in 1904, ACCA was established as an alternative to the restricted entry to the profession at that time, creating opportunities for anyone of talent and ability to become a qualified accountant.

Our mission

ACCA's mission is to be a global leader in the profession by:

Providing opportunity and open access to people of ability wherever they are in the world

Supporting our members throughout their careers

Achieving and promoting the highest ethical, governance and professional standards

Advancing the public interest

Our core values

Since our inception, we have held a set of core values which still drive us today, giving ACCA its distinctive character and defining our approach to the global profession:

Opportunity:

We provide opportunity, free from artificial barriers, to people around the world - whether our students, members or employees - and we support them in their careers.

Diversity:

We respect and value difference, embracing diversity in our people and our output.

Innovation:

We create new and unexpected possibilities, providing innovative solutions for the future.

Accountability:

We accept individuals and corporate responsibility for our actions, working together to deliver quality services and to promote the best interest of our stakeholders.

Integrity:

We act ethically and work in the public interest, treating people fairly and honestly and we encourage the same from others.



Keeping the wheels of business turning:

Jonathan Blanchard, CFO of Evans Cycles in the UK is just one of our 178,000 members who power business performance around the world.

Tell us what you think about our report or ask us any question on it at:

externalreporting@accaglobal.com



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Our 2014-15 highlights

90,661
New Students

11,530
New Members

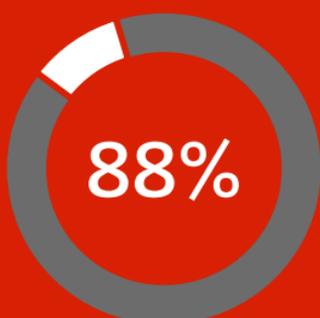
New permanent office in Tanzania



bringing our total offices and centres globally to

95

Awarded ISO22301 Business Continuity accreditation for our CHQ operations



88% employer satisfaction with ACCA, our highest score in the past five years

We met six of our ten KPIs for the year and you can find details of our strategic performance on pages 19-33



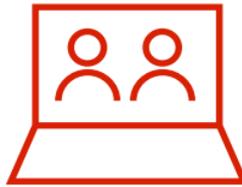
Launched Strategy to 2020 and restructured how we operate to support its delivery

Think Ahead 

New brand identity and Think Ahead positioning launched



Launched ground-breaking MSc with University of London, available globally, combining the ACCA Qualification with a Masters in Professional Accountancy



Enhanced digital services and support, including a new student recruitment portal and new homepages for our main website



New behavioural competency framework for our employees introduced and programme of culture change begun



Launched ACCA Certificate in International Public Sector Accounting Standards (IPSAS)

Our integrated reporting journey and this report

This report is deliberately concise and looks at ACCA's performance and prospects as a global entity. If you want to know more about any aspect of our operations or performance, we would love to hear from you; we also welcome any feedback you have on our reporting:

externalreporting@accaglobal.com



We exist to create professional accountants the world needs, delivering value through members who are qualified and regulated to the same standard globally.

This in turn means that the market and public can have confidence in the professional skills and ethics of ACCA qualified accountants, wherever they are in the world.

Our competitive advantage - which enables us to fulfil our mission on a global scale - is our combination of reach, relevance and resources.

Through this difference, we believe we are in an unrivalled position to respond to, and meet, the demands placed on qualified accountants around the world.

This year's integrated report aims to show how we are investing in this difference for the long-term benefit of our members and all our stakeholders.

Being a professional body is all about demonstrating long-term value to our members, the economy and wider society.

In doing this, we never forget that our overriding purpose is to create public value. We also know that public confidence in ACCA relies on us showing transparency and accountability for how we operate as a professional body.

This belief led us to become the first international professional body to adopt integrated reporting in 2011.

This is our fourth integrated report and, through it, we aim to show how our values and our approach to the profession benefits organisations and society.



Assurance of this report

Oversight and responsibility

ACCA's Audit Committee is responsible – on behalf of ACCA's Council – for ensuring the integrity of this report.

Audit Committee confirms that it has applied its collective mind to the preparation and presentation of ACCA's 2014-2015 integrated report and further confirms that, in its considered opinion, this report is presented in accordance with the international <IR> Framework (published December 2013).



Robert Stenhouse
FCCA Chair, on
behalf of ACCA
Audit Committee

A handwritten signature in white ink on a red background. The signature is cursive and appears to read 'Robert Stenhouse'.

External assurance

A significant proportion of this report has been externally assured as follows:

The results against our strategic measures, which form our key performance indicators, are assured by our auditors, BDO LLP.

Our detailed financial statements, which have also been audited by BDO LLP in accordance with International Standards of Auditing (UK and Ireland).

Future assurance

Formal assurance in relation to integrated reporting remains an emerging concept, following the launch of IIRC's <IR> Framework in December 2013.

It is therefore felt to be too early to adopt any major changes to assurance of our reporting for this particular reporting cycle.

We are keeping a close watch on developments in this area and will review our assurance arrangements as more definitive guidance becomes available.

Our value creation model

Societal inputs and consideration

A framework of global and national regulations for accountancy training, qualifications and supervision.

Increasing demand for accountancy skills, driven by appreciation of sustainable economic growth.

Talented people across the globe seeking a rewarding career

Key resources

Markets offices supported by CHQ

People
Employees
member volunteers

Partners
Employers
Learning providers
Accountancy and other bodies

Intellectual property and brands

IT infrastructure

Financial capital

Key value-adding activities

Creating global networks through a unrivalled customer-focused markets presence

Investment in internal training, education and talent management

Qualifying and regulating professional accountants to the same high standards globally through a flexible and accessible process

Maintaining and developing an aspirational and appealing global brand

Generating globally relevant technical insight with public interested at its heart

Digitally-enabled developments for an online, self-service world

Supporting the development of the profession through capacity-building projects

Key outputs

A global network of accountancy partnerships that bring value to our global membership

High-performing people across our operations and governance

Professional, ethical accountants with the skills required by any organisation globally

Widespread market and Statutory recognition

A global programme of research and insights that supports and enhances sustainable business practice

Best-in-class products and services

Stronger and more sustainable national professional bodies

Key outcomes

Support and opportunities for members around the world

Meeting the global demand from employers for accountants with a range of skills and strong ethical compass

Unrivalled global mobility for our members

A distinctive contribution to the development of accountancy and business thought and practice across the world

Customer satisfaction

A stronger global accountancy profession

Societal benefit

Organisations in all sectors that are run efficiently and responsibly, that help grow economies sustainably and safeguard the interests of the public and society



Public Value



President's message

For 110 years, ACCA has led the way in responding to the needs of a changing world and the challenges it presents for our profession. This year has seen an exciting new chapter in ACCA's story with the launch of our Strategy to 2020.

Following the global financial crisis of 2007, the world is still recovering from the greatest economic challenge in 75 years. Out of this has come a determination to protect society from the ravages that can be wrought by short-term thinking, uninformed decision-making and unethical practices.

This work is ongoing. Some of the less edifying news stories that have emerged this year show we still have a distance to travel before everyone involved in leading organisations behaves how the public expects. For this reason, the need for professionals to stand up and contribute to a refashioning of how business is conducted has never been greater.



The global economic downturn has also led to significant cuts in public funding by many governments across the world. The need for effective and efficient management of those funds and delivering value for money is more critical than ever before. A well-run public sector not only means better public services but also greater accountability and an increased likelihood of foreign direct investment. On this front - and as a public servant myself - I was delighted that we launched our ACCA Certificate in International Public Sector Accounting Standards (IPSAS) in November 2014. It will play an even larger part in upskilling public finance professionals and helping spread a common global high standard of financial reporting across the sector.

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If we are to credibly call for a more ethical approach to business, ACCA itself needs to embody the highest standards of accountability. I am proud to have served as president of a professional body that has been at the forefront of operating transparently within its peer group.

The past year has seen us strengthen this further by giving our independent Regulatory Board an enhanced public interest role at the heart of our oversight structure. This extension of the Regulatory Board's remit means it provides independent oversight of ACCA's regulatory arrangements for complaints and discipline, education and learning, examinations, licensing and practice monitoring, reporting to Council on the fairness and impartiality of all these activities. This activity is absolutely central to the ongoing value of the ACCA Qualification and the reputation ACCA members enjoy – and represents ACCA's enduring commitment to public value, above all else.

It also means championing better ways of reporting. ACCA is proud to not only be the first international professional body to adopt integrated reporting as a means of disclosing its own performance, but also the first international accountancy body to examine integrated reporting as part of our examinations as of December 2014.

What I've come to appreciate even more fully during my presidential year is the genuinely values-driven nature of our professional body. The opportunity and diversity our members represent and the contribution they make, in 181 countries, is awe-inspiring. And I've had the privilege of meeting many of you and seeing the value you add to organisations, economies and society, right around the world.

One of my personal highlights of the past year was chairing ACCA's 18th annual International Assembly. Seeing the contribution ACCA members make to the world, in the form of professional accountants from 43 countries represented in one – admittedly large – room, was hugely inspiring. I know that this is the tip of the iceberg in terms of the contribution our 170,000 professional accountants make around the world.

We have many members around the world who also play their part on bi-lateral committees and working groups around the world, giving back through voluntary and representational work to the profession that has given them a rewarding career. I thank every one of them, not least those members around the world who lead our networks and act as local representatives for us.

For the past three years, I've had the pleasure of meeting many of these members during our annual International Assembly meeting. At our November 2014 Assembly, we were able to showcase the global talent in our membership ranks to IFAC's incoming president, Olivia Kirtley, who asked to address our meeting as one of her first presidential engagements. For the president of our international federation to see the passion and commitment of members from around the world first hand really did allow us to bring to life what our brand means – opportunity for anyone of talent, anywhere.

Anthony Harbison

Witnessing this as ACCA president has been a privilege.

Chief Executive's overview

The past 12 months has been about both establishing immediate impetus behind the strategy and investing for the future so we are in the best position to deliver the vision, on behalf of our members.

This has resulted in some significant operational changes during the year. We have a new, focused executive team (see page 39) and new organisational structure which underpins it, firmly aligned to the execution of our Strategy to 2020.

We have continued to invest in market-based operations, so we can be close to those we serve, staying in touch with – and responding to – their different needs. At the start of the year, we created some 50 new posts based in our markets teams around the world as a result of decentralisation and refocusing customer-facing roles.

I am proud that we have the largest and widest network of any international professional accountancy body which gives us the capacity and capability to make an unrivalled difference in the global economy.

Our main contribution is clearly through the members and students we have in 181 countries. We also have a proud record of working in partnership with national bodies, regulators and governments strengthening the profession around the world. As the global economy recovers, this is becoming even more critical and is an important part of the value we deliver as a professional body.



ACCA's Strategy to 2020 sets out a clear and ambitious vision:
To be number one in developing professional accountants the world needs.

The programme of customer improvement I led under our previous strategy helped make ACCA more service-focused and digitally-enabled.

The programme of customer improvement I led under our previous strategy helped make ACCA more service-focused and digitally-enabled. This work underpinned the further developments in operational efficiency we made this year.

We achieved all our customer-focused capability measures for the year, exceeding all our services targets for speed and quality of transactional service – a level of service we intend to maintain and enhance. These strong foundations give me great confidence for our future.

While we made significant progress in 2014-15, we did not achieve everything we set out to accomplish. We need to improve member and student satisfaction scores and we have carried out in-depth analysis to understand what is driving perceptions. There is no one area of common delight or concern among members and students and perceptions are closely linked to different market circumstances. We therefore have a wide range of actions planned for the short, medium and long terms which have been tailored to meet particular needs.

This goes to a broader point. Operating successfully and meeting stakeholder needs and aspirations globally can be hugely complex. But it is a challenge we intend to meet, by being market-driven and investing in our presence in-market, complemented by a world-class level of digital resources. As this report illustrates, we have made a solid start in this first year of our new strategy. But it will require continued effort and vision and the ability to respond to market needs with agility and flexibility – thinking about what we can do differently to enable our stakeholders to meet their goals.

We missed our goal of becoming a One Star organisation on the Best Companies index, with our overall employee engagement score remaining virtually static. Given the significant structural changes that have taken place and the period of adjustment needed, in hindsight, the lack of movement was perhaps to be expected. But we remain committed to building engagement amongst what is already a very motivated and committed workforce.

A key factor in this is creating a more connected and agile way of working. A major enabler of this will be our move to a new London headquarters at The Adelphi in 2016, bringing our entire London-based workforce together for the first time in 20 years.

Cultivating organisational agility also means having trust and confidence in our people to act and take the right decisions. In this respect, I am hugely grateful for the confidence of ACCA's Council which has fully supported the organisation through massive change.

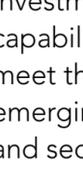
Aligned with the spirit of energy and innovation around the Strategy to 2020, we have developed a new way of presenting ourselves to the outside world, with fresh brand positioning, and new visual identity and our Think Ahead strapline – demonstrating the confidence and optimism we feel about what lies ahead for ACCA and the profession.

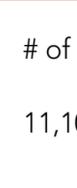
I hope this report conveys that excitement for the future of what is an amazing professional body which I am proud to serve.

Summary strategic performance

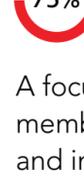
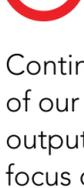
Strategic objective	 Our vision: to be #1 in developing professional accountants the world needs
Measure	# of members and students
2014-15 target	635,000
2014-15 performance	633,947
2015-16 target	Amended measure: 187,500 total members
2015-16 key plans	Further global research to identify the evolving demand for accountancy skills.

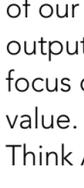
Strategic objective	 Our difference: reach, relevance and resources
Measure	Net operating surplus
2014-15 target	£0.7M
2014-15 performance	£2.8M ¹
2015-16 target	-£5M
2015-16 key plans	Alignment of financial resources with strategic priorities to drive maximum value, including significant investment in our Flexible Exam Delivery and Support (FEDS) programme to set the base for the future.

Strategic objective	 Attract: inspire people everywhere in the world to choose ACCA
Measure	Student growth rate
2014-15 target	
2014-15 performance	
2015-16 target	Amended measure: 483,000 total students
2015-16 key plans	Investment in our sales capabilities in order to meet the demand from emerging economies and sectors.

Strategic objective	 Develop: grow our network to support our stakeholders
Measure	# of new members
2014-15 target	11,100
2014-15 performance	11,530
2015-16 target	Amended measure: 100% of student progression targets met
2015-16 key plans	A focus on the effective delivery of our FEDS programme, including the move to four exam sittings a year. Rollout of ACCA-X, our digital learning solution.

Strategic objective	 Sustain: demonstrate the value of a lasting relationship with ACCA to achieve their goals
Measure	Members and student satisfaction
2014-15 target	
2014-15 performance	
2015-16 target	
2015-16 key plans	A focus on improving members' digital services and improving employment prospects for members and students.

Strategic objective	 Lead: use our preminent brand to influence the market
Measure	Brand power
2014-15 target	 of brand power elements met
2014-15 performance	 of brand power elements achieved
2015-16 target	 of brand power elements met
2015-16 key plans	Continued development of our research and insights output, with a specific focus on promoting public value. Rolling out our new Think Ahead brand.

Strategic objective	 Customer centred solutions
Measure	% of employers who highly rate ACCA *
2014-15 target	
2014-15 performance	
2015-16 target	Amended measure: 85% of customer service SLAs met
2015-16 key plans	Implementing a customer engagement centre solution to provide a single, unified platform for our B2B and B2C customers.

Strategic objective	 High performing people
Measure	Employee engagement *
2014-15 target	One Star status in Best Companies index (score of 659.5 or above)
2014-15 performance	One to Watch organisation (score of 634.8)
2015-16 target	One Star status in Best Companies index
2015-16 key plans	Continued investment in culture and behaviours work and a focus on leadership development.

Strategic objective	 Operational excellence
Measure	Total cost per student and member *
2014-15 target	£260 per client
2014-15 performance	£254
2015-16 target	£272 per client
2015-16 key plans	Continued focus on how we deliver strategy through our annual budgeting and planning process and regular reviews of spend.

Strategic objective	 Flexible delivery
Measure	Customer experience SLA *
2014-15 target	 of SLA elements met
2014-15 performance	 of SLA elements met
2015-16 target	Amended measure: 66% of digital experience SLA elements met.
2015-16 key plans	Continued transformation of the digital customer experience through development to our website and our digital strategy

* Internal capability measure - reported for information only

¹ Net operating surplus is consistent with Operating Surplus net of Finance Costs in the statutory accounts

Stakeholder engagement and materiality

Since adopting integrated reporting in 2011, we have extended and enhanced how we take account of stakeholder feedback in relation to our reporting each year.



We asked these groups of stakeholders to:

Review and comment on ACCA's 2013-14 integrated report and the extent to which it meets the <IR> Framework and help provide an indicative materiality rating of different topics associated with ACCA's financial and non-financial strategic performance.

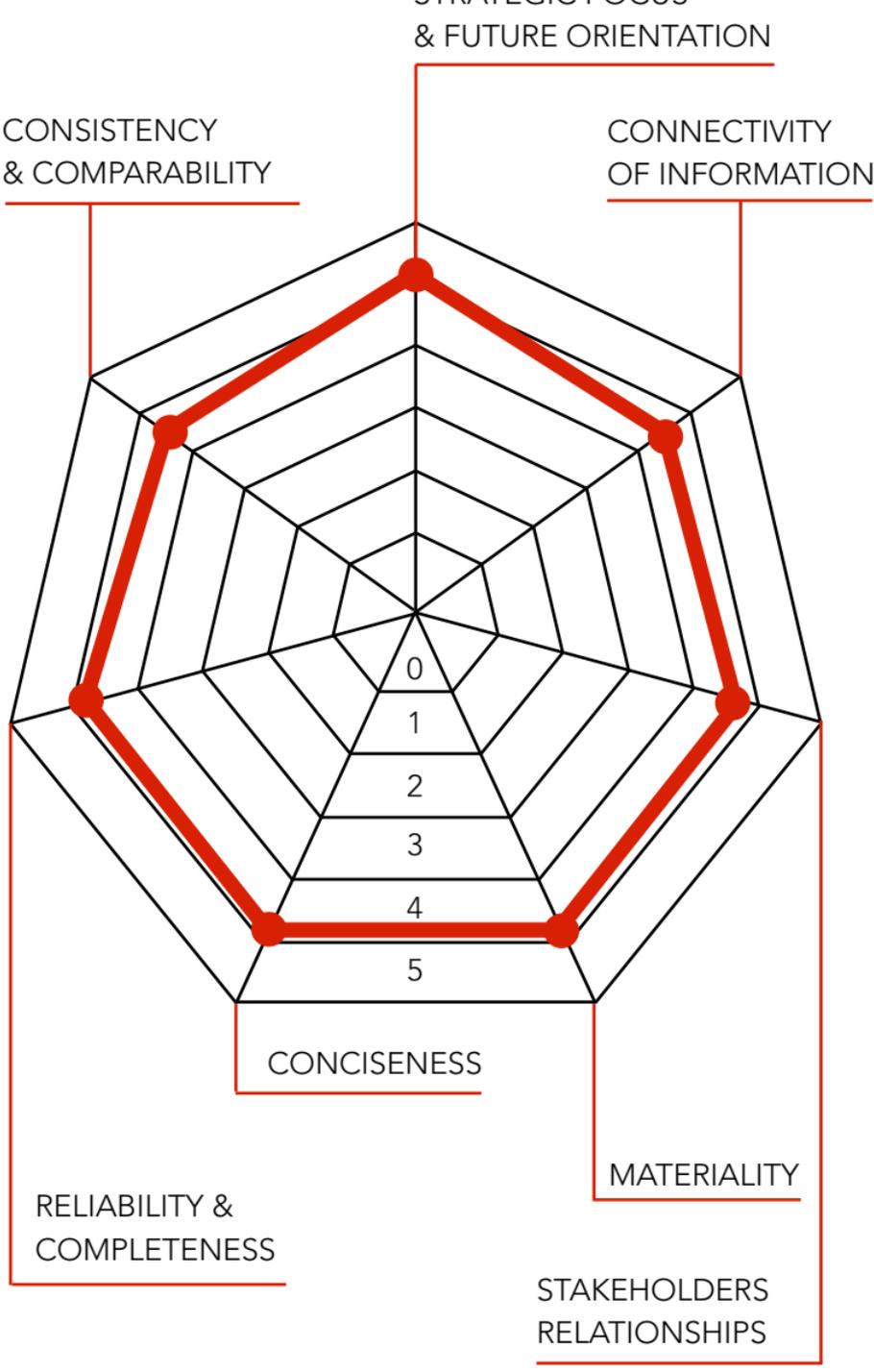
For the past three years, we have conducted our stakeholder engagement exercise through a series of face-to-face workshops with a cross-section of external stakeholders in different markets, with independent oversight from an external expert in this field.

This year, we have undertaken our largest feedback exercise yet, running workshops with a mixed group of stakeholders in seven contrasting markets:

China
Malaysia
Nigeria
Pakistan
Poland
UK
USA

Meeting IIRC's requirements

External stakeholders gave the following assessment of how they felt ACCA's 2013-14 integrated report measured up to the seven guiding principles of integrated reporting:



In terms of presentation, the main suggestions for future improvement were:

Feedback

The report could be even more concise.

Actions

The length of the text has been reduced, primarily through excluding non-material data points and also less disaggregation of data and focusing on global performance.

Feedback

The reporting of GRI indicators should be re-evaluated, as it was unclear what the relationship of the GRI indicators included was to ACCA's overall strategy and the body of the report.

Actions

Only data which is considered material to our Strategy to 2020 and our stakeholders is included in this report.

Feedback

Although the report provided credible information, the assurance process could be better highlighted.

Actions

The assurance statement and what assurance entails for ACCA is more prominently flagged.

Feedback

It would be illuminating if more on the stakeholder engagement process was included in the report, to further emphasise how seriously ACCA takes this aspect of its reporting.

Actions

Stakeholder engagement protocol and an overview of feedback, including the materiality assessment, are now included in main report.

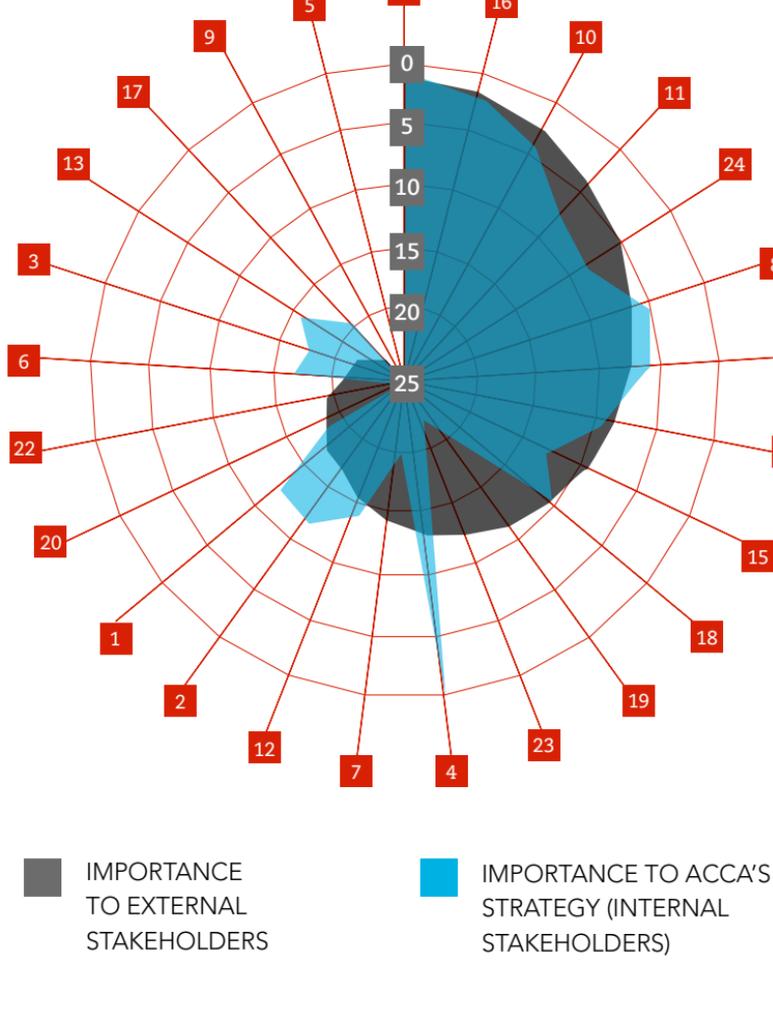
Material issues

We validated our existing material issues against our Strategy to 2020 and asked external stakeholders to rank the resulting 25 potential material issues in order of importance to them:

Potential material issues

- 1 ACCA's financial health
- 2 Reach, resilience and quality of learning providers
- 3 Contributions to economic value
- 4 Creation of public value
- 5 Environmental sustainability of ACCA's operations
- 6 Diversity of membership and employees
- 7 Employee engagement
- 8 Student and member growth and retention
- 9 Community involvement
- 10 Promotion of professional standards and ethics
- 11 Member professional and career development
- 12 Best in class customer service
- 13 Flexible exam delivery and support
- 14 Strength of relationship with employers
- 15 Strength of relationships with strategic partners
- 16 Integrity and relevance of the qualification
- 17 Flexible and robust IT systems
- 18 ACCA's global presence
- 19 Value for money
- 20 Accessibility
- 21 Public influence & thought leadership
- 22 Effective and efficient internal governance and compliance
- 23 Stakeholder engagement and responsiveness
- 24 Statutory recognition and licence to operate
- 25 Brand recognition

These issues were also ranked by a cross-functional panel of ACCA employees in terms of their significance to our Strategy to 2020, resulting in the following comparative ratings:



There was strong agreement between external and internal stakeholders that recognition of the ACCA brand, the integrity and relevance of the ACCA Qualification, and the promotion of professional standards and ethics were of greatest importance.

ACCA's ability to invest in future development, the flexibility of our exam delivery and support and learning provision were judged to be of more importance to ACCA's future by employees, as was diversity and the creation of economic value.

Given that ACCA's overall mission is to deliver public value, this was rated very highly by an internal audience but had less significance for external stakeholders.

We have used this feedback to shape this report, both in terms of content focus and presentation

Our key stakeholders

Members

Members are core to ACCA's existence. We work to protect and enhance the value of the ACCA designation and aim to help members maintain and develop their employability by supporting them through their careers, on a global basis.

Students

As future members, we support students by promoting the value of the qualification to employers and, in partnership with learning providers, developing the support and information they need to achieve qualification.

Employers

Employers are critical stakeholders as they are the primary user of the skills of ACCA accountants and provide students with the workplace experience needed for qualification. In this, they play a central role in determining demand for the ACCA designation and without their support, students are unable to achieve their goal of membership.

Learning providers

Like employers, learning providers are an essential partner. They provide the examination training needed by students and it is important that ACCA works with them so we have a shared understanding of the current and future learning landscape.

National and international body partners

Through inclusive partnerships, we are able to extend the range of services and recognition available to our members. These partners are therefore among the most significant relationships ACCA has. We also have a supplier relationship with many of these organisations, where we provide contracted services (such as practice monitoring).

Governments, donor agencies, standard setters and regulators

We engage with regulators and standard setters around the world to ensure we have the opportunity to influence the development of standards and regulation, with ACCA members and senior employees serving on influential forums and board across the international profession. We work with governments to ensure they understand and value the contribution ACCA makes to national economies.

Suppliers

We rely on a number of key suppliers and providers to deliver services and support, particularly IT services and our international examining network.

Universities and colleges

Higher and further education institutions around the world supply ACCA with students and strong relationships with universities and colleges are therefore highly important.

Our Strategy to 2020

As a global professional body, we need to take both a wide and long-term view of the most significant developments within business, education and society and pursue a strategy that is robust and flexible enough to meet the future needs of all our stakeholders.

In formulating our Strategy to 2020, we identified six key global trends we believe will most influence the world of professional education over the next 10-12 years:

Key trends: Digitalisation

What it means for us	ACCA's strategic response
Digital advances will continue at increasing speed, creating instant impacts on business, making certain business models redundant and also facilitating completely new business and production models.	Investing in our digital customer experience, from sales through to members' services and CPD, to meet and anticipate consumer needs and be equipped to deal with increasing pace of change.

Key trends: Changes to learning

What it means for us	ACCA's strategic response
Linked to the above, the increase in online learning, including widening access through massive open online courses (MOOCs) is leading to more social and bite-sized ways of learning.	Developing our online and social learning offerings, including launching ACCA's global learning community and beginning the development of our own online learning product, ACCA-X, with world-class partners edX and Epigeum.

Key trends: Increased and varied forms of competition

What it means for us	ACCA's strategic response
The education market is undergoing expansion, change and fragmentation, facilitated through a mixture of online advances, joint ventures and investment in emerging markets as demand there increases (also see below).	Being market-led in everything we do and adopting a flexible, tailored response where market opportunities advance our reach and bolster our brand, thereby creating enhanced opportunity and profile for our members and students.

Key trends: Economic uncertainty

What it means for us	ACCA's strategic response
While relatively modest global growth is predicted, it is likely to be uneven and uncertain, and subject to greater volatility.	A markets-led strategy which can be more speedily flexed to account for changes in skills needs and demand.

Key trends: Growing middle class

What it means for us	ACCA's strategic response
A marked growth in the global middle classes and, as a result, the growth of the education and service sectors.	An open and responsive attitude to growing opportunities, enabled by our reach, relevance and resource.

Key trends: Longer working lives

What it means for us	ACCA's strategic response
As global health improves and pension provision decreases in developed countries, people will be in work for longer and may have a variety of careers during their working lives.	Modes of learning, training and interacting that meet the needs for different generations.

We view the prospects this creates for ACCA extremely positively

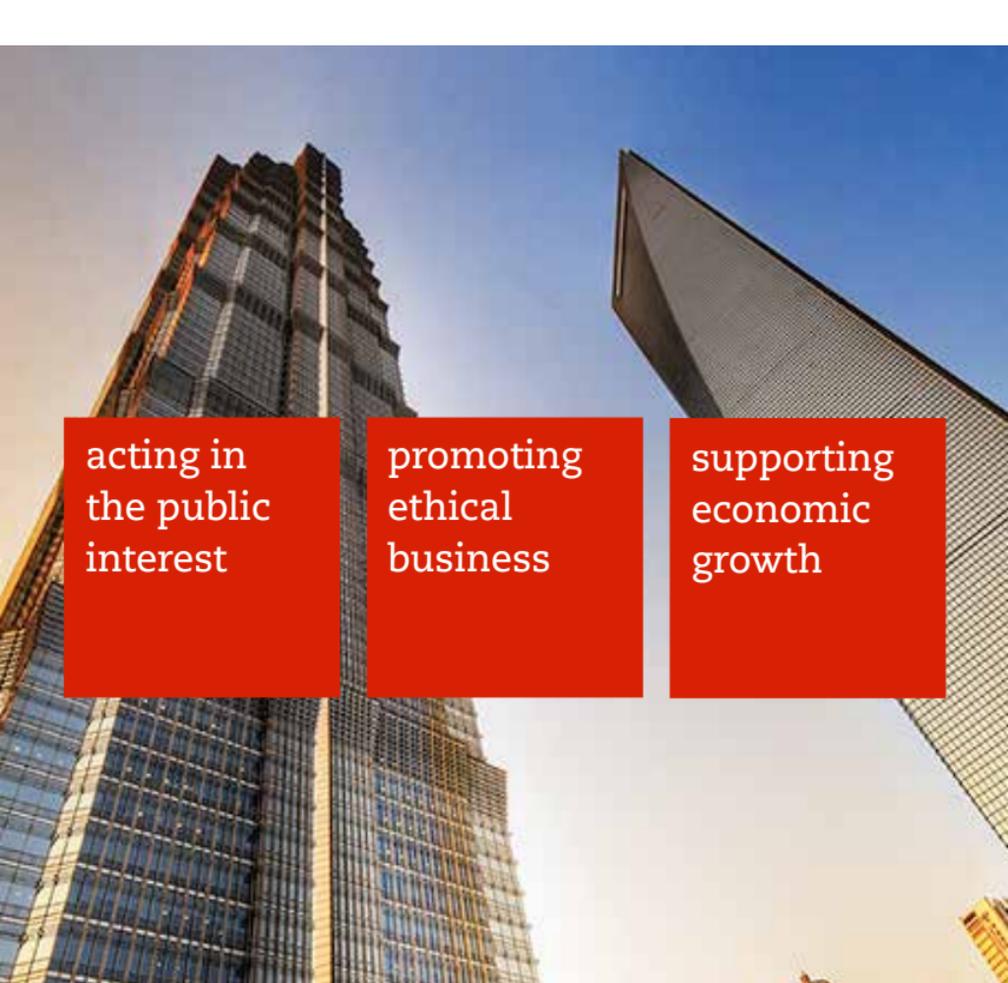


As the global economy, recovers from the low point of 2007-08 downturn, we are now seeing significant increases in individual and governmental investment in, and demand for, education and skills.

However, to take full advantage of opportunities, ACCA's brand needs to appeal to a range of generations and be highly relevant to the wide skills needs of employers and economies. We therefore need to be more agile and responsive than we have ever been and develop our culture and working practices to achieve this operational flexibility.

Our Strategy to 2020 has been crafted to put us in the best position to respond to the evolving needs of the global economy. The future demand for high-quality financial skills based on commonly accepted global standards is increasing every year and we are seeing greater demand than ever for high-calibre finance professionals, right around the world.

Our vision for 2020 is to be #1 in developing professional accountants the world needs. Our global network of ACCA members will deliver enhanced value to society by:



acting in the public interest

promoting ethical business

supporting economic growth

Our **difference**, which equips to realise our **vision**, is our combination of reach, relevance and resources.

In order to provide the world with the skills it needs, we will **attract** a diverse range of talent to the profession by offering an accessible and flexible qualification which is demanded by employers in every sector and through an appealing and aspirational brand.

We will **develop** complete finance professionals who are trained, examined and regulated to the same high standard globally.

We will **sustain** a vibrant future for ACCA and our members by growing our presence in new and emerging markets and sectors and investing in existing areas of strength. Through all of the above, we aim to **lead** the profession in demonstrating to policy makers, employers and the public the value professional accountants deliver for them.

To achieve all of the above, we will focus on developing our capabilities of: **high-performing people**, operational excellence, **customer-centred solutions** and a digitally enabled and **flexible delivery**.

Vision: #1 in developing professional accountants the world needs

Measure:
total # of members and students



Our difference: reach relevance and resources

Measure:
net operating surplus



Outcomes

On behalf of our members

Attract

Measure:
student growth rate



Develop

Measure:
of new members



Sustain

Measure:
member and student satisfaction



Lead

Measure:
Brand power



Capabilities

To deliver

Customer centred solutions

Measure:
% employers who highly rate ACCA



High performing people

Measure:
employee engagement



Operational excellence

Measure:
Total cost per student and member



Digitally enabled and flexible delivery

Measure:
customer experience SLA



Measuring our strategic progress

We have retained a balanced scorecard of measures (including both quantitative and qualitative measures) to give a rounded view of performance and further refined our approach by:

Reducing the overall number of KPIs/ strategic outcomes we measure to create a greater focus for delivery and a clearer and more focused performance picture.

This has seen us reduce the number of strategic measures we use to evaluate performance from 12 to 10 (comprising six outcome measures and four capability measures). Creating a more obvious distinction between the outcomes we are responsible for delivering on behalf of Council and our members and the means we need to build and develop in order to achieve the strategy ie our capabilities. While the strategy is designed to remain constant to 2020, it is envisaged that we may need to vary the capabilities on which we focus in order to deliver the strategy in future years.



Our strategic performance in 2014-15

Vision

Our Difference

Attract

Develop

Sustain

Lead

Customer-centred solutions

People

Operational excellence

Flexible delivery

Vision: number 1 in developing professional accountants the world needs



Strategic measure applied:
total number of members and students

Why we use this measure:
our members are the main way in which we deliver value to society, through their skills, ethics and expertise.

This measure currently also includes our membership pipeline in the form of students who are also making a contribution to organisations and economies

This measure currently also includes our membership pipeline in the form of students who are also making a contribution to organisations and economies

In 2015-16, we will measure our Vision performance exclusively by member numbers, as ACCA professional accountants are the ultimate product we believe the global labour market requires

Five year performance

Members

Previous	2010 - 11	147,265
	2011 - 12	154,337
	2012 - 13	161,943
	2013 - 14	169,602

Actuals	2014 - 15	178,169
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Target	2014 - 15	
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	2015 - 16	187,500
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ACCA students and affiliates

Previous	2010 - 11	349,574
	2011 - 12	368,145
	2012 - 13	372,248
	2013 - 14	384,287

Actuals	2014 - 15	396,844
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Target	2014 - 15	
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	2015 - 16	
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Foundation students

Previous	2010 - 11	69,660
	2011 - 12	61,734
	2012 - 13	61,734
	2013 - 14	51,537

Actuals	2014 - 15	58,934
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Target	2014 - 15	
---------------	------------------	--

	2015 - 16	
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Total students and affiliates

Previous	2010 - 11	421,456
	2011 - 12	425,897
	2012 - 13	425,894
	2013 - 14	435,824

Actuals	2014 - 15	455,778
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Target	2014 - 15	
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	2015 - 16	
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Total

Previous	2010 - 11	568,721
	2011 - 12	587,840
	2012 - 13	587,837
	2013 - 14	605,426

Actuals	2014 - 15	633,947
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Target	2014 - 15	635,000
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	2015 - 16	
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Commentary

Achievement of the target was affected by lower than anticipated student retention, an area on which we are focusing going forward through enhanced student support.

We exceeded our recruitment expectations for the year, with strong global performance and particularly robust results across Africa and China.

Boosted by an above-expectation number of new members, we saw our largest combined growth in members and students for the past five years and our strongest member growth ever.

Based on the stage of readiness for membership within our student population and on maintaining our existing high rate of member retention, we are targeting slightly smaller growth in member numbers in 2015-16.

Our difference: our combination of reach, relevance and resource



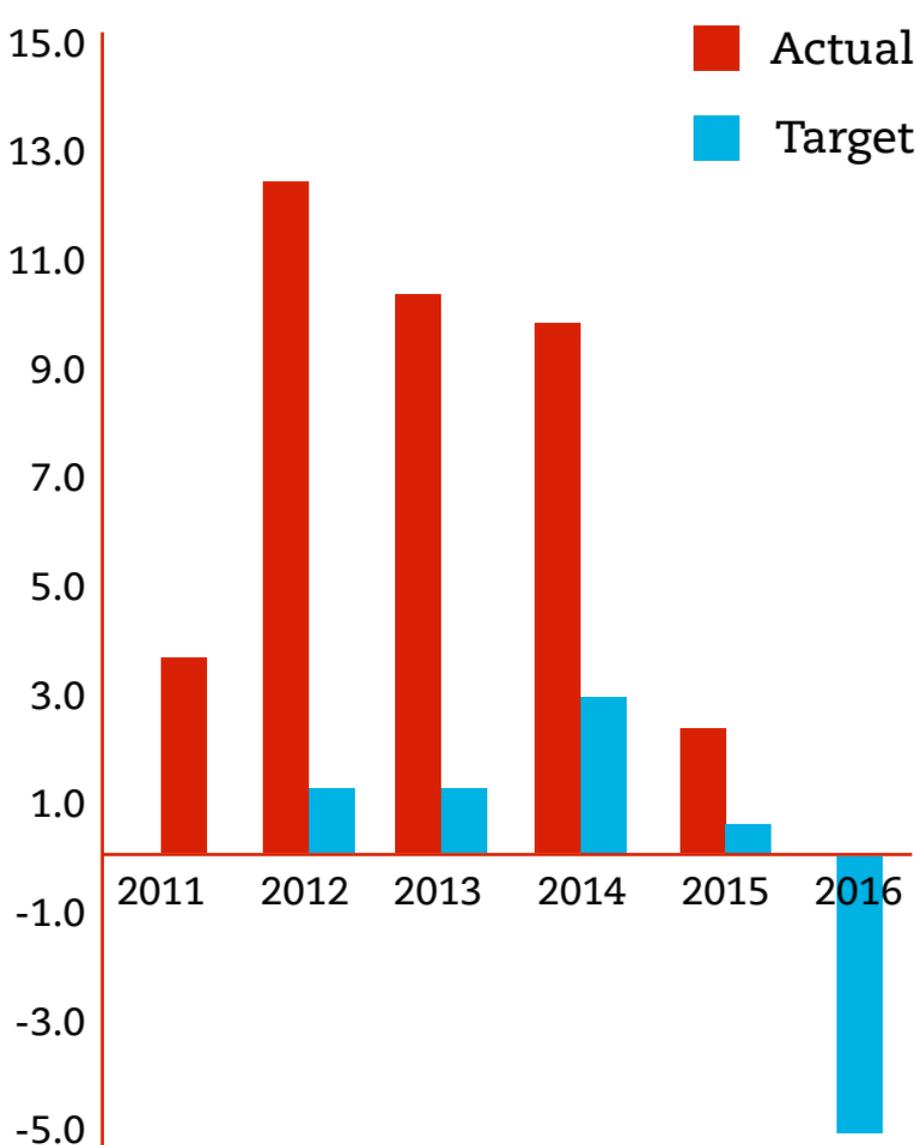
Strategic measure applied:
net operating surplus

Why we use this measure:

This is our financial surplus after accounting for the costs of strategic investment and is an indicator of our financial strength, i.e. how much of our annual operating income is available to build our balance sheet reserves so that we have the long-term financial resources required to fulfil our strategic ambition

This KPI measure is consistent with the operating surplus reported in our statutory accounts net of finance costs

Net operating surplus (£ million)



Commentary

Our aim each year has been to achieve a small net operating surplus.

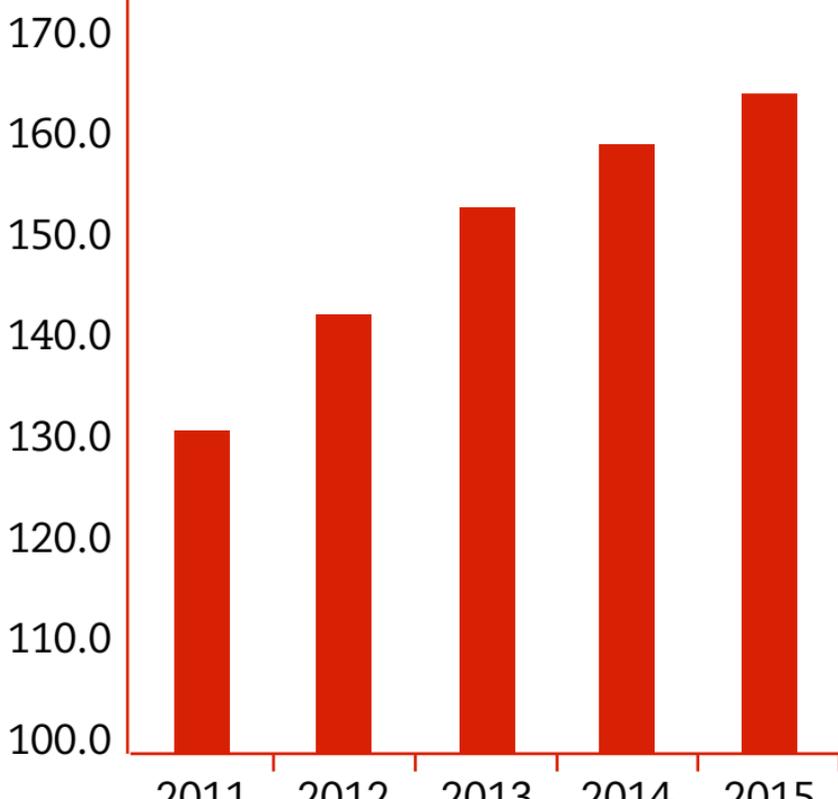
This, together with investment income, has been added to reserves. In each year, outperformance has been achieved by strong cost management which has enabled budgeted contingency to be released to net operating surplus.

The launch of our Strategy to 2020 and the growth ambition it represents has resulted in us targeting a net operating deficit for the financial year to March 2016. We are investing in a range of key initiatives over the next 12 months which will deliver sustainable growth over a number of years, and expect to return to net operating surplus in the year to March 2017.

Financial performance in 2014-15

We achieved our net operating surplus target, with actual net operating surplus of £2.8m compared to our £0.7m target. Although we did not meet our ambitious target for income growth, falling short by £5m, we nevertheless saw a further year of healthy income growth.

Income (£ million)

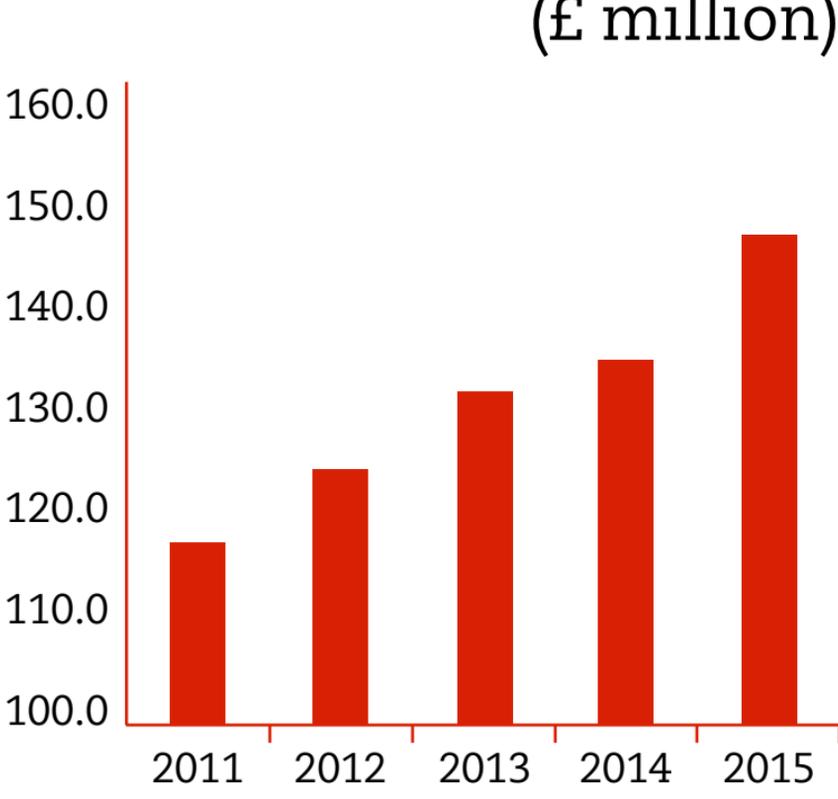


Our growth in the number of students and members has increased our income to £163.9m, a 3% growth rate. During the year, price increases have been kept to a minimum.

In 2014-15, we invested strongly in developing our sales and performance management capability which was a key factor in enabling us to compete successfully in a marketplace which increasingly is seeing new entrants and product offerings. These developments are allowing us to be more responsive and flexible to customer demands.

Our Strategy to 2020 has identified the broad scale of the opportunity for future growth and we expect our income to continue to grow strongly year-on-year, based on anticipated demand.

Operating expenditure (£ million)



During the year, we have continued to focus on cost consciousness and have rigorously controlled our costs, achieving a cost saving of approximately 4.5% of the original budget. However, the rate of increase in operating expenditure has exceeded the rate of growth in income. Around 25% of cost base is directly linked to member and student numbers and related transactional activities (such as the level of exam entries). In addition to these cost pressures, there has been significant investment in strategic initiatives which will deliver sustainable growth over the longer term ie we have invested upfront to reap the rewards in future years.

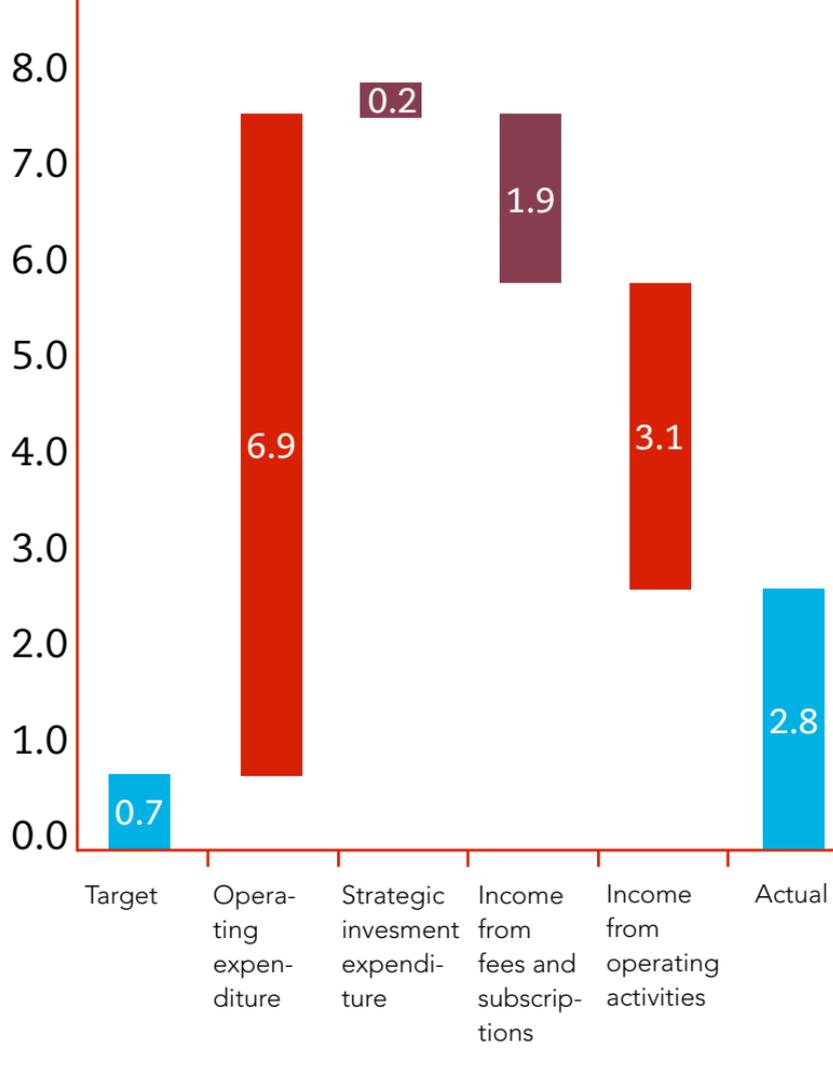
We will continue our focus on cost management in 2015-16. Specific efficiency targets have been set which will ensure that we obtain value for money from our financial resources.

Our expenditure on strategic investment expenditure (expenditure which is related to programmes or projects) was £12.6m prior to adjusting for capital expenditure and depreciation [on an adjusted basis, expenditure is £14m].

We have several key multi-year projects in progress which seek to transform the way we do our business, including improving the customer experience, ensuring our fundamental building blocks are robust and equipping us with the agility to support our business model. That programme of strategic investment expenditure is likely to continue into the future. A further £5m was invested in strategic initiatives managed as core operational activity and accounted for as operational expenditure.

Net operating surplus - £2.1m higher than target

Variance from target for these key components of net operating surplus are summarised as follows:

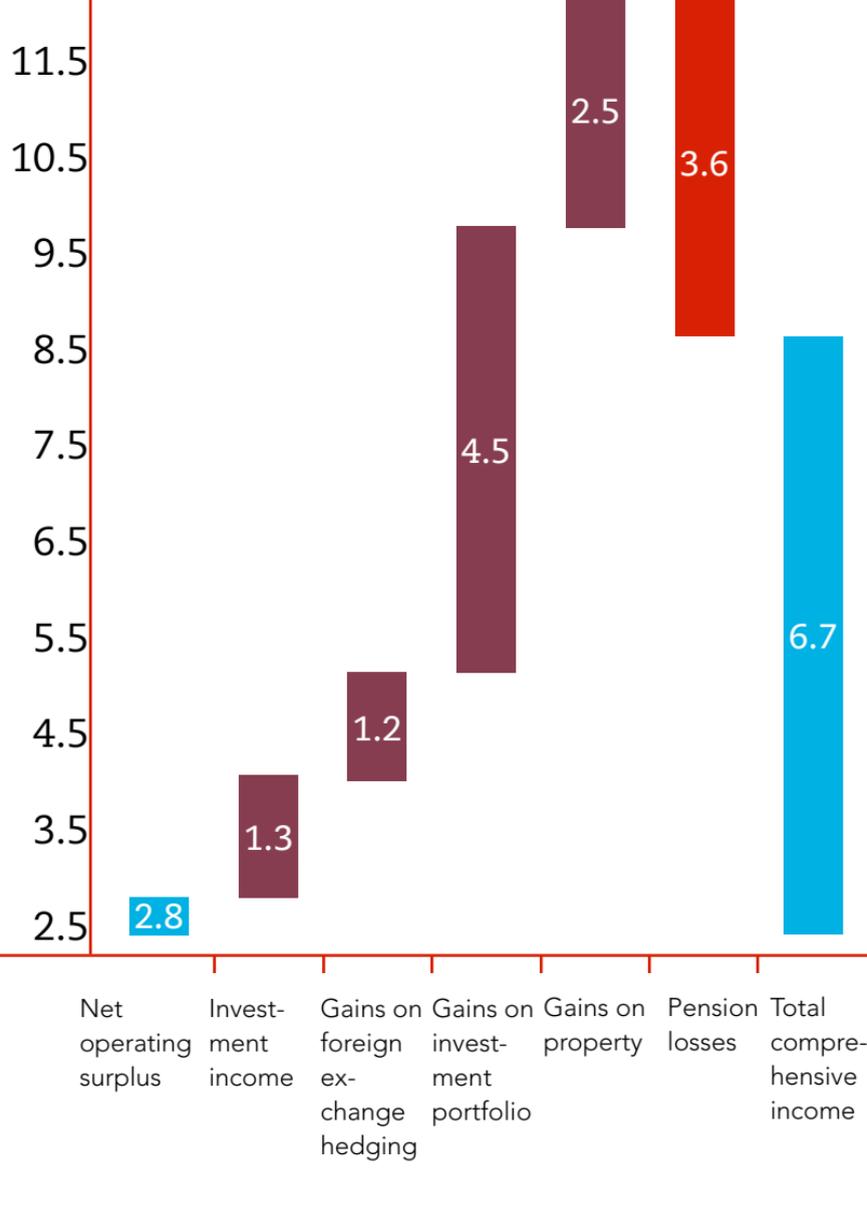


Although our income growth was less than targeted, our ongoing strong cost control enabled operating expenditure, including budgeted contingency, to be released into net operating surplus.

There are a range of transactions which arise after net operating surplus is accounted for, including investment income and other comprehensive income. Our total comprehensive income for the year to March 2015 amounted to £8.7m.

Other financial information

Total comprehensive income (£ million)



With the exception of investment income, most of these items tend to be volatile in nature and not directly within our control, being subject to global economic factors.

Our investment income was in line with target and represents the dividends received on our investment portfolio together with interest on cash deposits.

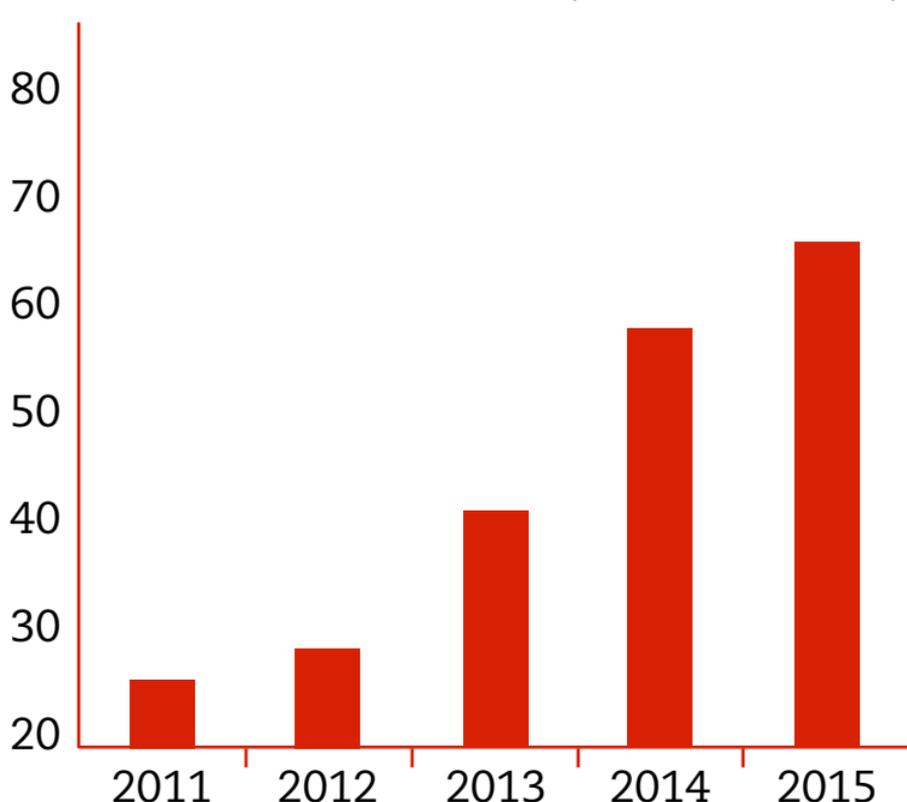
The majority of our income is received in GBP Sterling but, because of our global operation, we incur a significant amount of expenditure in other currencies. We put hedging contracts in place to provide protection against movement in exchange rates for our core currencies. These contracts are valued at the year-end and had accrued unrealised gains of £1.2m.

The value of our investment portfolio at end March 2015 was £82.1m, including unrealised gains amounting to £4.5m.

We own two freehold properties in London which are revalued each year. At end March, the value of the properties had increased by £2.5m compared to the previous year's valuation.

We operate defined benefit pension schemes in the UK and Ireland, both of which are closed to future accrual. These schemes are valued each year-end and actuarial gains or losses are taken to comprehensive income. This year, the losses amounted to £3.6m, driven by the effect of low bond yields on the discount rate used to value the pension liabilities. Our balance sheet has continued to grow strongly.

Funds and reserves (£ million)



Council has a long-term target to build the Accumulated Fund to 60 days of operating expenditure. At March 2015, the Accumulated Fund represented 73 days of operating expenditure. [This is calculated on the basis of 260 days].

Council also monitors balance sheet liquidity, measured as the number of days of operating expenditure held in liquid assets (investments and net current assets).

At end March 2015, the liquidity measure was 101 days (compared to a long-term target of 120 days).

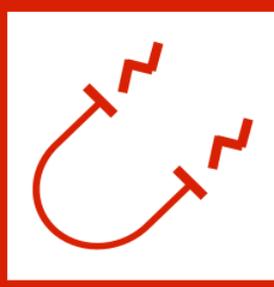
Total assets have grown from £165.1m to £180m. At March 2015, our investment portfolio value was £82.1m and our cash balances were £46.5m

More detailed financial information is available in our consolidated financial statements, which can be found at:

www.accaglobal.com

Attract:

Inspire people everywhere in the world to choose ACCA



Strategic measure applied:
student growth rate

Why we use this measure:
it shows the success we are having in extending the appeal of our qualification to the next generation of professional accountants and the strength of our membership pipeline

In 2015-16, we will present this as overall number of students, as a more transparent way of showing growth

Five year performance

Total students and affiliates

Previous	2010 - 11	421,456
	2011 - 12	429,879
	2012 - 13	425,897
	2013 - 14	435,824
Actuals	2014 - 15	455,778
Target	2014 - 15	
	2015 - 16	483,000

% growth rate

Previous	2010 - 11	5.3%
	2011 - 12	2.5%
	2012 - 13	-0.9%
	2013 - 14	2.3%
Actuals	2014 - 15	4.6%
Target	2014 - 15	
	2015 - 16	4.9%

Commentary

We exceeded our student recruitment expectations for the year, led by targeted and enhanced marketing approaches across our markets which formed the basis for our strong growth.

Although lower than expected student retention meant that we failed to meet our overall growth target, we were delighted to have doubled our year-on-year rate of growth on such a large existing student and affiliate base, demonstrating the high value attached to the ACCA Qualification across a range of markets and sectors.

Develop: grow our network to support our stakeholders to achieve their goals



Strategic measure:

of new members

Why we use this measure:

it shows how many members we are creating and therefore our effectiveness in supporting our students progress to membership

In 2015-16, we will expand this measure to show a more detailed view of the factors that affect development towards membership

Five year performance

New members

Previous	2010 - 11	9,203
	2011 - 12	9,412
	2012 - 13	10,361
	2013 - 14	10,337
Actuals	2014 - 15	11,530
Target	2014 - 15	11,100
	2015 - 16	

Student progression

Target	2015 - 16	100%
		68.5% of affiliates achieving membership in four years
		12.000 new members
		38% of students passing exams in the past year

Commentary

We have refined and enhanced a range of our activities to assist people towards membership, including targeted support for membership-ready affiliates. More widely, we have invested in student support through launching our online ACCA Learning Community, enabling students to help and support each other through their studies within a professional and social environment. In addition to providing support through self-study guides, we have also hosted 20 learning events on the site, with the involvement of ACCA prizewinning students and ACCA Platinum Approved Learning Providers. We also launched a new interactive study support resource in the form of practice test, allowing students to identify their strength and weaknesses through instant feedback.

These combined efforts helped us exceed our membership target for the year and achieve the largest number of new members in our history.

Sustain: demonstrate the value of a lasting relationship with ACCA

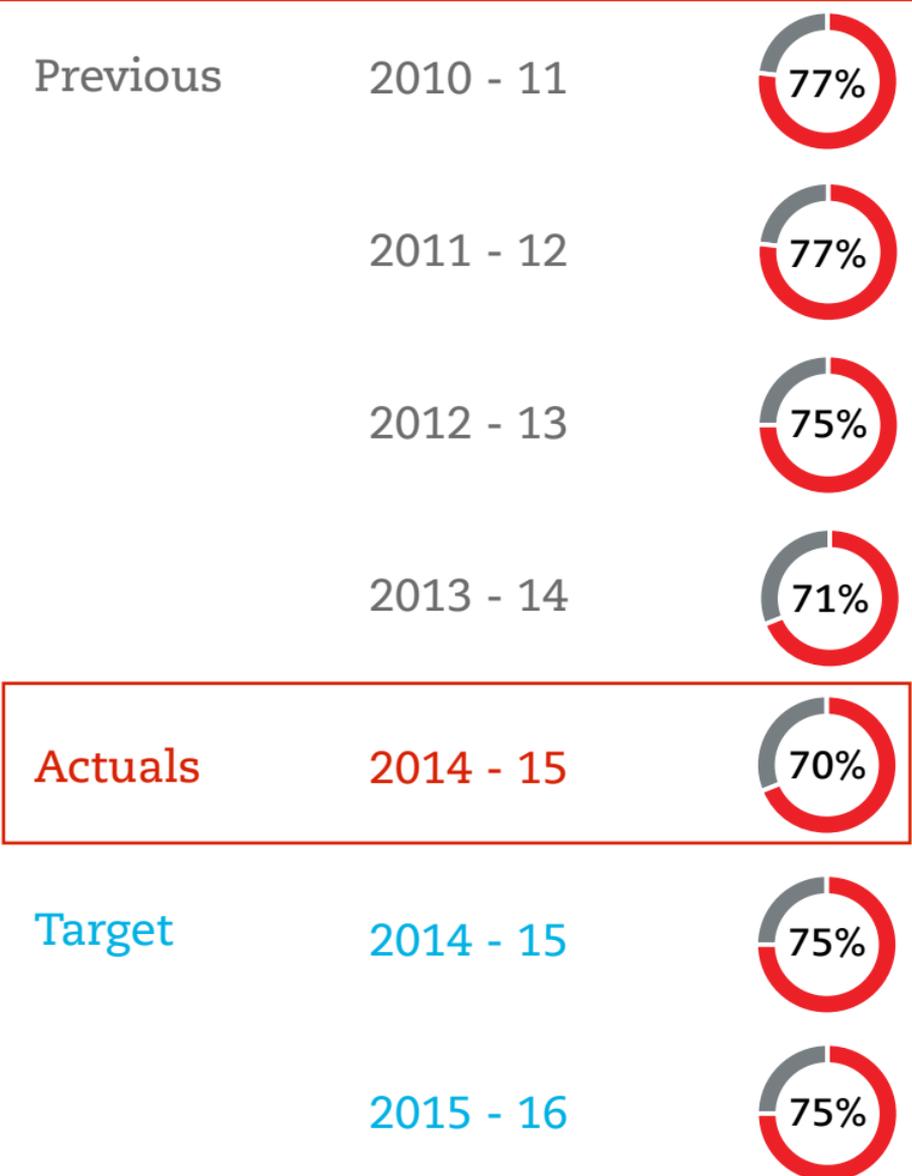


Strategic measure:
Member and student satisfaction

Why we use this measure:
this demonstrates the overall happiness of our members and students with our brand and services

Five year performance

Member and student satisfaction



based on survey of 19,320 members, affiliates and students conducted globally.

Commentary

Having targeted significant improvement to this measure, we were obviously disappointed that overall satisfaction held broadly steady. However, within this, we saw that brand reputation and recommendation levels had increased amongst members and students (see brand power results on page xx), illustrating a high level of confidence in the value and standing of the ACCA Qualification globally. In another areas, we saw diverging pictures from market to market, with different factors affecting perceptions in different countries.

As a result, in addition to making changes to globally-available services (such as improving the member focus of accaglobal.com), we will be taking carefully targeted action to address specific factors that drive satisfaction in individual markets.

Lead: use our pre-eminent brand and reputation to influence the market



Strategic measure: brand power

Why we use this measure:

our brand power measure is a basket of elements measuring key factors which influence the perception and effectiveness of the ACCA brand giving us a customer view on ACCA's brand resilience and impact

Performance

We set out to achieve at least 80% of our brand power measures in 2014-15. For 2015-16 we have focused the elements and reduced them in number to better measure our brand impact

Element: Brand awareness

Measure	Media share of voice	# of media mentions	Total traffic to ACCA's websites
2012 - 13	21%	11,971	N/A
2013 - 14	25%	14,100	7,956,025
2014 - 15	32%	15,000	8,173,975
2014 - 15 target	26%	12,215	8,567,000

Element: Brand stature

Measure	Share of new professional students of ACCA, CIMA and ICAEW	Share of total members of ACCA, AICPA, CIMA, CPA Australia and ICAEW
2012 - 13	63%	18.1%
2013 - 14	62%	18.4%
2014 - 15	62.3%	19.0%
2014 - 15 target	62%	18.7%

Element: Brand reputation

Measure	†Employers agreeing ACCA is a broad-based brand relevant across sector	†Employers agreeing ACCA delivers complete finance professionals
2012 - 13	88%	N/A
2013 - 14	82%	76%
2014 - 15	86%	82%
2014 - 15 target	83%	77%

Measure	†Learning providers agreeing ACCA is a respected brand	†Students agreeing ACCA is a respected brand	†Member agreeing ACCA is a respected brand
2012 - 13	N/A	83%	75%
2013 - 14	89%	81%	76%
2014 - 15	91%	80%	76%
2014 - 15 target	89%	82%	77%

Element: Public value

Measure	†Members agreeing that ACCA promotes public value
2012 - 13	N/A
2013 - 14	67%
2014 - 15	67%
2014 - 15 target	68%

Element: Recommendation

Measure	†Employers who prefer recruiting ACCA	†Learning providers teaching more than one designation recommending ACCA to prospective students
2012 - 13	45%	N/A
2013 - 14	46%	85%
2014 - 15	44%	89%
2014 - 15 target	47%	85%

Measure	†Members who have recommended ACCA	†Students who have recommended ACCA
2012 - 13	63%	74%
2013 - 14	60%	63%
2014 - 15	61%	68%
2014 - 15 target	62%	69%

Overall brand power

2012 - 13	N/A
2013 - 14	N/A
2014 - 15	80% of elements
2014 - 15 target	80% achieved

†survey measures are judged achieved if within +/- 2.5% of the target to allow for accepted survey variations.

Member results based on 4,623 members surveyed globally;
 student results based on 14,697 surveyed globally;

employer results based on 512 surveyed globally;

learning providers results based on 244 providers surveyed globally.

Commentary

These results show the continued strong standing and value of the ACCA brand to all key stakeholders, in what remains a highly competitive global marketplace for professional accountants. In terms of awareness, we were delighted to exceed our target for share of media coverage, although we over-estimated the number of media mentions required to achieve this level of dominance.

With employers determining the demand for our students and members, the positive sentiment attached to the ACCA brand across this group was especially encouraging.

It was also pleasing that we maintained our leading share of the international student market at 62% and grew our share of the member market to 19% from an already high base.

Global leadership

This level of performance has been underpinned by working through our market presence to make a sustainable contribution to businesses and economies (see page 40 for our global footprint).

Alongside taking the ACCA Qualification to the places it is needed for economic development, we continue to work on a broad range of capacity building projects that strengthen skills and accountancy infrastructures more widely.

In the past year, this has included:

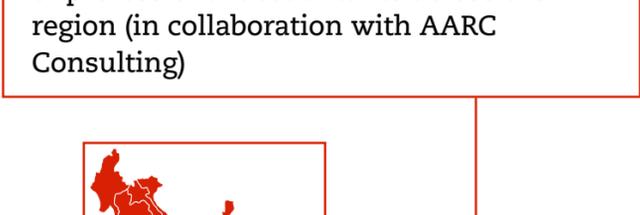
Albania:
two World Bank funded projects to develop the legal framework for corporate reporting and improve audit standard setting and supervision (in collaboration with AARC Consulting)



Mongolia, Philippines and Vietnam:
an ongoing World Bank funded project to develop the CPD systems of national bodies in Mongolia, the Philippines and Vietnam (in collaboration with AARC Consulting)



Mauritius:
a partnership with the Mauritius Association of Certified Accountants to support their development and progress towards membership of IFAC



ASEAN region:
an ongoing project, funded by Australian Aid, to create a roadmap for the mobility of professional accountants across the region (in collaboration with AARC Consulting)



As part of ACCA's contribution to the UK Department for International Development's wide-ranging programme of skills investment, we partnered with the Ministry of Finance in Ethiopia on IFRS upskilling for ministry staff and university lecturers and provided training on IFRS and IPSAS for staff at the Myanmar Institute of Certified Public Accountants and the Office of the Audit General of Myanmar.

This year also saw us sign a landmark agreement with the Afghanistan Ministry of Finance to help it develop the country's accountancy profession, with ACCA providing expertise on a broad range of area such as the development of a national professional body, qualification development and professional regulation.

Our expertise in global regulation and monitoring continues to be valued by national bodies with ACCA being re-awarded a contract with the Institute of Chartered Accountants of the Caribbean to provide monitoring services to professional accountancy organisation in the Bahamas, Barbados, Guyana, the Eastern Caribbean and Trinidad and Tobago, with an extension of the existing arrangement to cover Belize and Suriname.

We also signed and renewed a number of significant arrangements with other professional accountancy bodies, furthering our reach and collaborative links for the benefit of our members and the global profession, including:

Our first strategic partnership with the Malaysian Institute of Accountants (MIA), which provides an incentivised pathway to ACCA membership for MIA members and includes collaboration across a range of policy, research and event

A new Memorandum of Understanding (MoU) with the Institute of Costs Accountants of India, the first ever for ACCA with a recognised professional accountancy body in India

A new MoU with the Institute of Cost and Management Accountants of Pakistan, enabling dual qualification and membership on a fast-track basis

A new Memorandum of Understanding with OROC (the Portuguese national accountancy body), paving the way for collaboration on development projects in Portuguese-speaking African countries

A new MoU with the Instituto Nacional de Contadores Públicos de Colombia, providing ACCA support in implementing IFRS and international audit expertise, our first agreement with a professional accountancy body in Latin America.



During the year, we published 52 research and insights reports covering a range of topics including audit quality, the future of financial reporting, global governance, diversity, public audit, sustainability management, risk and tax. We also responded to 45 consultations on technical matters affecting the future of the profession.

ACCA has remained closely involved in the major developments on EU audit reform, through a range of events, culminating in a high-profile roundtable held in partnership with EGIAN at the European Parliament and hosted by Sajjad Khan MEP and rapporteur on EU audit reform.

Our programme of work exploring the role of the CFO saw ACCA join forces with Duke University and CFO magazine on one of the world's largest and longest standing survey of finance leader opinion. We also celebrated the fifth anniversary of our highly-regarded Global Economic Conditions Survey, the largest collection of finance leader perceptions around the strength of the global economy.

The continued rollout of our new brand identity, together with exciting new qualification and learning enhancements – including ACCA-X and our move to four exam sittings a year – presents us with excellent opportunities to enhance the standing and visibility of the ACCA brand to all our stakeholders over the coming 12 months.

Customer-centred solutions



Capability measure applied:
% of employers who highly rate ACCA

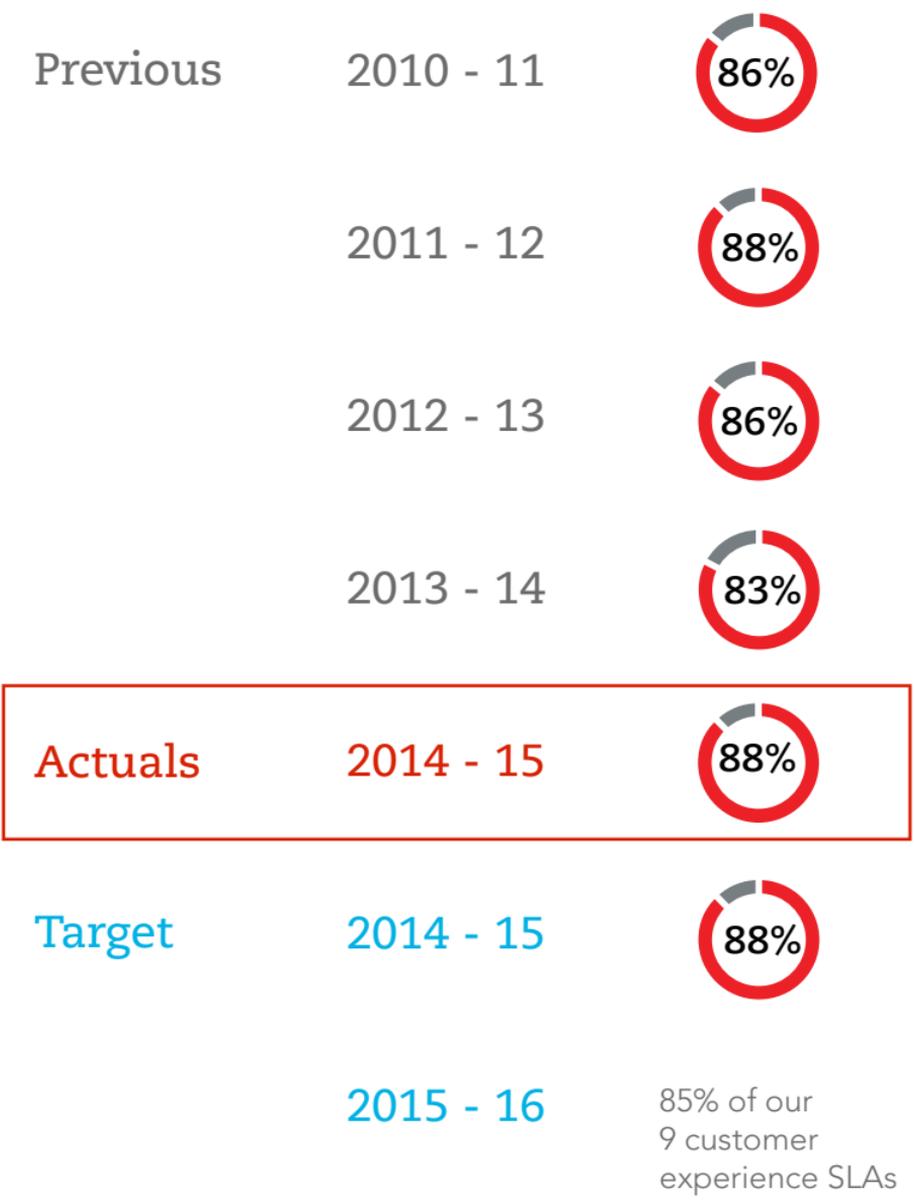
Why we use this measure:
employers determine the utility of our members and students in the marketplace, through their hiring decisions. This assesses the extent to which leading employers are satisfied with ACCA's brand and offerings

For 2015-16 we are expanding the measure to provide a rounded view of the customer experience we provide

Employer perceptions of ACCA will be retained as part of our brand power measures

Five year performance

Overall employer satisfaction with ACCA



based on survey of 512 leading employers conducted globally.

Commentary

We succeeded in increasing overall satisfaction by five percent, year-on-year, resulting in our highest overall employer satisfaction measure in recent years. Underpinning this, it was pleasing to see that scores relating to our brand reputation attributes had all increased (see brand power measures on page xx), along with positive attitudes to the relevance of the ACCA Qualification. In terms of brand profile, 51% of employers surveyed believe that ACCA is the leading global professional accountancy body (compared to 50% in 2013-14), increasing our lead against other international bodies, although 20% were not able to say which body leads globally.

People: high performing people motivated to deliver our strategy



Capability measure applied:

Best Companies employee engagement index

Why we use this measure:

it is a wide-ranging index which assesses how engaged and fulfilled our employees are and enables us to identify those drivers which are likely to affect their contentment and motivation

This is also a widely used framework for assessing employee engagement which means we can benchmark our performance against leading employers

Five year performance

Best Companies employee engagement score

Previous	2010 - 11	N/A
	2011 - 12	635.9 (One to Watch status)
	2012 - 13	652.5 (One to Watch status)
	2013 - 14	646.2 (One to Watch status)
Actuals	2014 - 15	634.8 (One to Watch status)
Target	2014 - 15	660 (One star status)
	2015 - 16	660 (One star status)

Based on responses from 875 employees globally (77% response rate).

■ Female ■ Male



Commentary

We continued to remain within the range of organisations that achieved One to Watch status, with little movement in either direction on the seven factors of engagement that make up the Best Companies index. This was disappointing but perhaps not surprising given the high level of organisation change experienced by our employees throughout the past year, as we realigned our structures to deliver our Strategy to 2020.

The cultures and behaviours work we started to roll out in Q4 of 2014-15 will continue, alongside a focus on leadership across the organisation, underpinned by an agile leadership programme. In addition, we will continue with our organisation-wide focus on personal growth, another factor closely correlated to high engagement across ACCA. In order to achieve our aspiration of being a One Star organisation, we are also working with individual teams and directorates to develop targeted action plans.

Operational excellence across all aspects of our operations



Capability measure applied:
operating costs per student and total costs per student and member against benchmark

Why we use this measure:
this shows the cost effectiveness of our service and is taken as a proxy for the efficiency of our operations as a whole

Five year performance

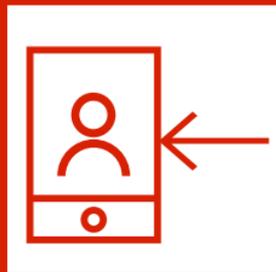
Total cost per student and member

Previous	2010 - 11	N/A
	2011 - 12	£237
	2012 - 13	£240
	2013 - 14	£246
Actuals	2014 - 15	£254
Target	2014 - 15	£260
	2015 - 16	£272

Commentary

We have successfully kept our costs per student and member to target, with a high level of efficiency enabled by investment in systems and agile processes and a keen eye on offering value for money to our members and students.

Flexible delivery: digitally-enabled and flexible delivery that is responsive to evolving customer needs



Why we use this measure:

it provides a rounded view of our customer service, benchmarked to industry standards

Performance:

97.1% of measures met

For 2015-16, we are focusing this measure exclusively on digital experience elements, with customer service elements used to assess our customer-centred solutions capability and aim to meet 66% of these.

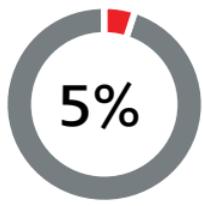
New measure for 2014-15

Capability measure applied:

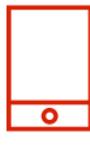
85% of our customer experience Service Level Agreement, which made up of the following customer service measures:



80% of calls answered within 20 seconds



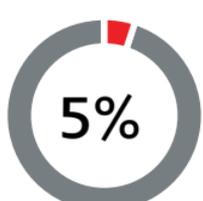
Less than 5% of calls abandoned



80% of emails answered within 2 days



80% of web-chats picked up within 30 seconds



Less than 5% of web chats abandoned



90% of online applications processed within 3 days



Commentary

Building on our strong performance in 2014-15, we have further improved our performance this year, meeting 97.1% of a demanding set of customer service measures. These are benchmarked against industry standards, with a world class level of service being provided to our global customer base.

Our risks and their management

Risk appetite definitions:



Hungry:

Eager to be innovative and choose options offering potential higher rewards, despite greater inherent risk

Open:

Willing to consider all potential options with a bias towards options likely to prioritise the certainties of successful delivery over potentially high reward strategies

Averse:

Preference for safer options which have a lower level of residual risk but which may have more limited upside potential

We actively manage a range of risks to the achievement of our Strategy to 2020.

ACCA's Audit Committee provides ongoing oversight of the following corporate level risks, each of which is owned by one or more Executive Team members on a day-to-day basis.

As part of its management of risks, the Executive Team reviews all corporate level risks every month in light of market, legislative and operational developments, adjusting mitigations and threat levels accordingly. There is also an established risk management framework which allows for the elevation of directorate risk to the overall corporate level risk register.

Audit Committee's oversight of these risks includes reviewing the effectiveness of ACCA's risk management process and approach, including 'deep dive' reviews of specific corporate level risks on a rolling basis.

Enhancements to our risk approach in 2014-15

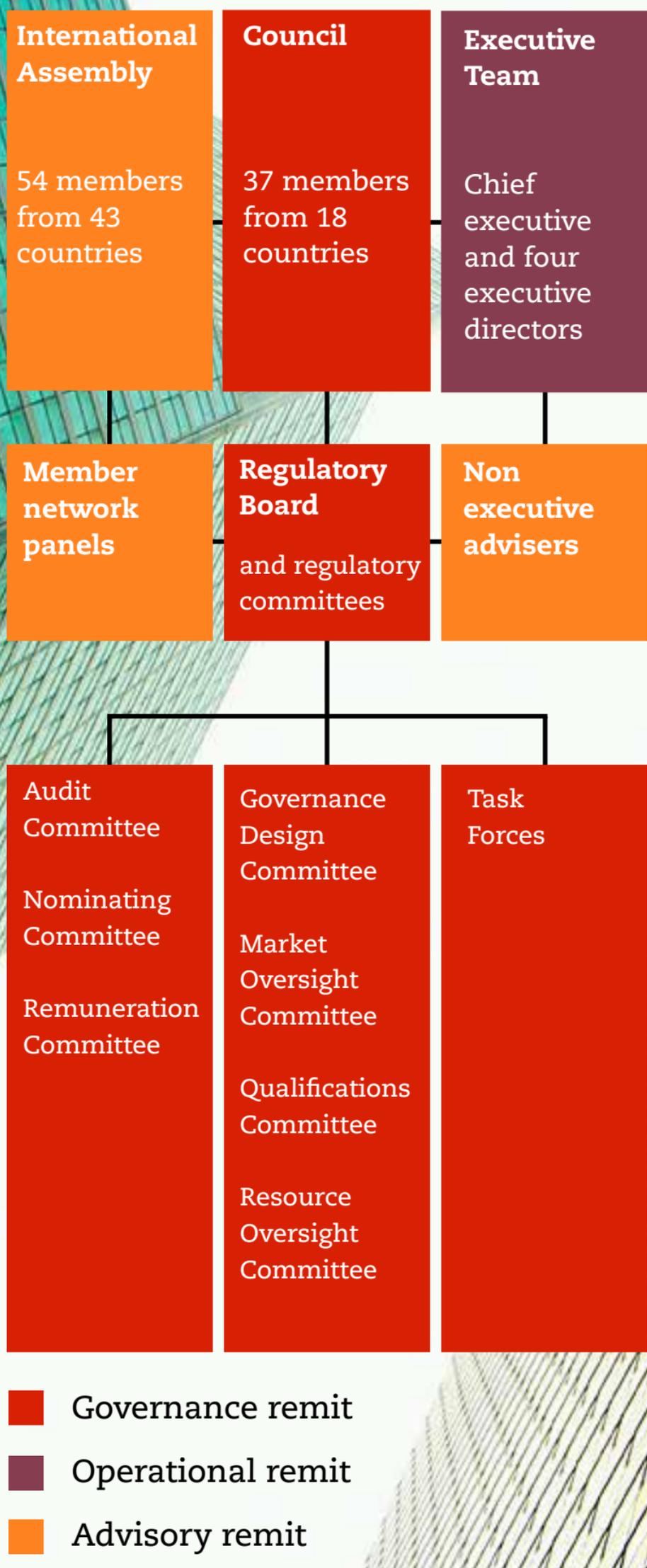
Over the past year, we have clarified our risk appetite to provide us with a clearer basis for assessing our attitude and approach to risks and opportunities.

In line with our vision, we are willing to be bold and innovative in our approach to market development, so that we can maintain our first mover advantage and respond to emerging market needs. Recognising that the integrity of our qualifications and associated processes is central to the reputation of our brand and those who rely on it, we have a very low tolerance for any risks that affect the quality – or perceptions of the quality – of our qualifications, brand and service. Because the integrity of our qualification is at the heart of our brand, our corporate level risks have a strong focus on minimising threats to the standing and value of the ACCA brand.

Our strategic risks

Risk	Failure in the end-to-end exam process
Strategic outcome	Operational excellence
Mitigation	A comprehensive range of physical and digital controls to ensure the integrity of the process, both within ACCA and across external suppliers.
Risk appetite	Averse CR1
Risk	Changes to ACCA's audit recognition in the UK
Strategic outcome	Sustain
Mitigation	Active engagement with UK regulators and pro-active and speedy implementation of any recommendations, alongside monitoring developments in the regulatory environment and the enhancement of our regulatory function.
Risk appetite	Open CR2
Risk	Changes in student behaviour regarding exam entry, scheduling and payment
Strategic outcome	Our difference
Mitigation	Research on, and engagement with, all stakeholders in the student process to predict and affect behaviour.
Risk appetite	Open CR3
Risk	Failure to deliver the key elements of our Flexible Exam Delivery and Support Programme
Strategic outcome	Vision
Mitigation	Clear programme governance and management framework, supported by external assurance.
Risk appetite	Hungry CR4
Risk	Restriction on our ability to operate
Strategic outcome	Attract
Mitigation	Cross-organisation review group reports to the Executive Team monthly on recognition risks, with specific mitigations taken on a market by market basis.
Risk appetite	Hungry CR5
Risk	Increased competition attracting potential students to other career paths
Strategic outcome	Attract
Mitigation	Ongoing review of marketplace and alternative offerings through a programme of competitor monitoring.
Risk appetite	Hungry CR6
Risk	Failure to comply with legislations in countries where we operate
Strategic outcome	Lead
Mitigation	Dedicated team of Regional Business Support Managers who actively manage ACCA's national and regional compliance risks, with guidance from ACCA's global Corporate Assurance team.
Risk appetite	Open CR7
Risk	Reduced probability of customers willing to transact online
Strategic outcome	Digitally enabled and flexible delivery
Mitigation	Ongoing development of internal systems and active management of suppliers to minimise and prevent service failures.
Risk appetite	Open CR8
Risk	Our suppliers ceasing to support or maintain systems
Strategic outcome	Digitally enabled and flexible delivery
Mitigation	Service Level Agreements, support contracts and regular review of contract effectiveness in place for all key systems suppliers.
Risk appetite	Open CR9
Risk	Inability to deliver our strategic outcomes
Strategic outcome	High-performing people
Mitigation	A performance management process aligned to our Strategy to 2020, supported by a programme of culture and behavioural development and talent management.
Risk appetite	Open CR10
Risk	Failure to deliver services
Strategic outcome	Operational excellence
Mitigation	Business continuity plans in place, including ISO22301 compliance for CHQ operations, together with a detailed procurement and contact management policy.
Risk appetite	Averse CR11
Risk	ACCA's revenue levels difficult to predict
Strategic outcome	Our difference
Mitigation	Cross-organisational group forecasts income levels based on current and anticipated customer behaviour.
Risk appetite	Open CR12
Risk	Loss of students to alternate qualification
Strategic outcome	Vision
Mitigation	Developing more flexibility around products and offerings to cater for market needs.
Risk appetite	Hungry CR13
Risk	Cybercrime leading to loss of data
Strategic outcome	Flexible delivery
Mitigation	Defined security strategy, encompassing a vulnerability management process and information security awareness training.
Risk appetite	Open CR14
Risk	ACCA not adequately adaptable to implementing change quickly and innovating effectively
Strategic outcome	Flexible delivery
Mitigation	A defined technology strategy with adaptability as a key theme and a new behavioural competency framework developed which emphasises seizing opportunities and innovation.
Risk appetite	Open CR15

Our governance and leadership



We aim to reflect our values in everything we do, including how ACCA is governed and managed.

Because of our enduring commitment to open access and our global footprint, it is especially important to us that how we operate reflects the diversity of our membership. We are also strongly committed to the ethos of accountability: we were the first UK-based professional accountancy body to establish an independent Regulatory Board, composed of a majority of lay members, to deal with disciplinary matters and the first to open our disciplinary hearing to the public.

We pride ourselves on being at the leading edge of good governance as it applies to professional bodies.

How we are run

We are governed by Council which is currently composed of 37 members: 36 directly elected by our membership and one co-opted member. We are proud that ACCA's membership has chosen representatives from 18 different countries to exercise oversight on their behalf, 15 (41%) of whom are female. This year also saw us welcome our first ever member from Pakistan on to Council.

Council and ACCA's Executive Team work together to develop our strategy, with oversight from Council. The Executive Team takes overall responsibility for delivering the organisation's strategic targets, which are agreed with Council annually. For this reason, we only disclose one year's worth of forward targets.

Our Council

Anthony Harbinson, president (Ireland),

Council member since 2007

Datin Alexandra Chin, deputy president

(Malaysia), 2005

Brian McEnery, vice president (Ireland), 2006

Steve Bailey (UK), 2011

Rosanna Choi (Hong Kong), 2011

Orla Collins (Ireland), 2012

Matilda Crossman (UK), 2010

John Cullen (UK), 2013

Gustaw Duda (Poland), 2009

Jenny Gu (China), 2009

Kenneth Henry (USA), 2010

Pauline Hobson (UK), 2008

Julie Holderness (UK), 2006

Lorraine Holleway (Qatar), 2013

Hemraz Hoolash (Mauritius), 2007

Lynne Hunt (UK), 2007

Nur Jazlan Mohamed (Malaysia), 2014

Raphael Joseph (Canada), 2006

Japheth Katto (Uganda), 2012

Dean Lee (China), 2013

James Lee (Singapore), 2009

Leo Lee (Hong Kong), 2006

Ayla Majid (Pakistan), 2014

Mark Millar (UK), 2010

Tom Murray (Ireland), 2013

Kholeka Mzondeki (South Africa), 2010

Mohd Nasir Ahmad (Malaysia), 2013

Taiwo Oyedele (Nigeria), 2011

Ronnie Patton (Ireland), 2014

Laura Perrin (Romania), 2008

Melanie Proffitt, (UK), 2014

Brendan Sheehan (Australia), 2014

Katerina Sipkova (Czech Republic), 2013

Marcin Sojda (Poland), 2014

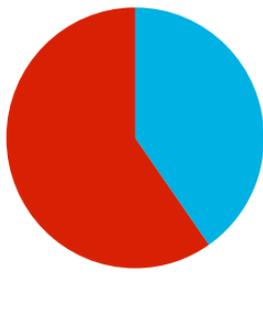
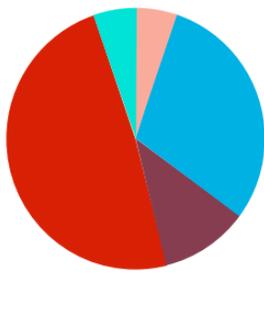
Robert Stenhouse (UK), 2009

Fergus Wong (Hong Kong), 2013

Belinda Young (Singapore), 2009.

Francis Chittenden (UK), Coutts Otolo (Kenya), Anthony Tyen (Hong Kong) and Dean Westcott (UK), left Council in September 2014 having served for 6 months of the performance year

Council diversity



Americas

Asia Pac

SSA

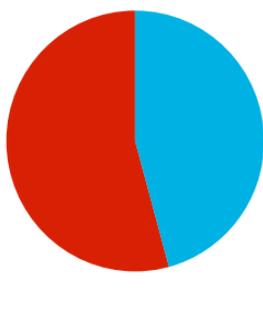
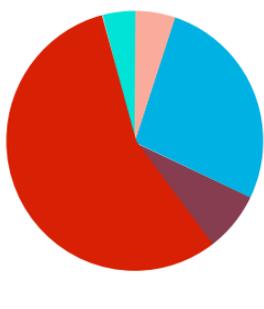
Europe

MENASA

Female

Male

Member diversity



Americas

Asia Pac

SSA

Europe

MENASA

Female

Male



The Chief Executive

While the Executive Team is responsible for day-to-day management and decision-making, the chief executive has specific responsibility for leading ACCA



In addition to leading on the delivery of strategy, her specific responsibilities also include maintaining and enhancing ACCA's status on the global stage through developing relationships with leading organisations

Helen Brand OBE chief executive

Helen has built her career within professional bodies, initially at CIMA where she rose to the position of director of international affairs, before joining ACCA in 1996 and becoming chief executive in 2008. She has considerable experience and knowledge of the 181 markets in which ACCA currently operates and has worked closely with the IFAC (International Federation of Accountants) in an advisory capacity over many years. A founding member of the International Integrated Reporting Council (IIRC), she was awarded an OBE in 2011 for services to accountancy.

Rewarding strategic achievement

In addition to base salaries, a portion of the Executive Team's remuneration can be made up from a bonus pool which is released subject to the achievement of specific KPIs. More details on how this is calculated and executive remuneration for 2014-15 can be found in our [detailed corporate governance statement](#). You can also read more about how we meet our corporate governance responsibilities in our [detailed corporate governance statement](#).

Non-executive advisers

Two non-executive advisers provide expert guidance and counsel to the chief executive, based on their extensive experience in the international corporate environment, providing useful challenge and input into how ACCA is led and managed:

Julia Bond

Julia has spent most of her career at Credit Suisse rising through the ranks to managing director, a post she held from 1997 to 2009.

She has experience of operating in Europe, Asia and the US and has also led on issues such as diversity, talent management and change management.

She also holds non-executive director positions for the Central London Community Healthcare Trust, the European Assets Trust, and the UK Foreign and Commonwealth Office and is a trustee of the Royal Academy of Dance.

Barrie Jackson

The former CEO of a major international drinks group, Barrie has a background in premium consumer brands and leading major strategic developments, including the acquisition and integration of businesses in Asia, Europe and North America.

He also holds non-executive director positions for Tullis Russell and the Scottish Football Association and is chairman of Dog Digital and Odysseus Capital Management.

Our Executive Directors



Peter Large

executive director -

governance

Peter has spent the majority of his career at ACCA. His current role as executive director governance, which he has held since 2008, spans responsibility for both ACCA's corporate governance arrangements and the governance of ACCA's members and students. The former comprises the internal audit, risk, information security, legal counsel and secretariat functions, and the latter includes regulation, licensing, monitoring and investigations/discipline. His previous roles at ACCA include responsibility for professional standards and members affairs. Peter holds a BA (Hons) in Politics, an MBA and a postgraduate certificate in behavioural change.



Raymond Jack

executive director –

finance and operations

Raymond joined ACCA as executive director - finance & operations in January 2013.

He qualified as a chartered accountant at Coopers & Lybrand (now PwC) where he worked for 12 years largely in corporate finance, recovery and consulting. He joined the retail arm of Scottish Power in 1997 and held posts including sales & marketing director, business transformation director and latterly was executive director of Scottish Power, Energy Retail. He holds a degree in accountancy and a master's degree from the University of Cambridge.



Stephen Heathcote

executive director – markets

Steve is responsible for ACCA's global growth strategy, overseeing market development, sales and marketing activity, and leading market-facing teams across ACCA's network of 95 offices and centres.

Prior to joining ACCA in his previous role as executive director – finance and operations, he was the Director of Planning and Resources at the UK Financial Reporting Council, where he was responsible for planning major activities, associated reporting, and operation leadership, which included the chief operating officer role. Steve is also secretary to the Edinburgh Group, a coalition of 14 accountancy bodies from across the world representing over 900,000 professional accountants.



Alan Hatfield and Clare Minchington

executive directors –

strategy and development

Alan Hatfield succeeded Clare Minchington as executive director – strategy and development in April 2015, with responsibility for the full range of ACCA's intellectual capital from the overall strategy to talent, brand, policy and qualifications. Immediately prior to this, Alan led ACCA's learning directorate for four years, with overall responsibility for developing and maintaining ACCA's qualifications and continuing professional development requirements.

He has over 20 years' experience in professional education, progressing through a range of ACCA roles including education manager and head of learning partnerships. A graduate of Glasgow University and a member of the Institute of Chartered Secretaries and Administrators, Alan also holds an MBA with distinction from Oxford Brookes University.

Clare was executive director of strategy and development until 26 March 2015.

After graduating from Oxford University with a degree in chemistry, Clare qualified as an accountant with Price Waterhouse. Prior to joining ACCA, she was chair of the MBA Financial Strategy course at the Open University Business School. Clare joined ACCA in 2000 as head of education and served as a member of the executive team for the past ten years.

Our reach and resource

We remain immensely proud of our extensive reach and resource which – along with our continued investment in the relevance and quality of the ACCA Qualification – will be critical to delivering our **Strategy to 2020**

We look forward to reporting our progress towards being #1 in developing professional accountants the world needs in our future integrated reports

178,000
members

455,000
students

95
offices and
centres

7,110
Approved
Employers

295
Approved
Learning
Providers

89
Global
accountancy
partnerships