Contents

03  About ACCA
04  About this report
05  Our 2021-22 highlights
06  President’s message
07  Chief executive’s strategic report
09  Strategy to 2025, measures and targets
15  Our value creation model to 2025
16  The global context
19  Strategic performance in 2021-22
24  Stakeholder engagement and materiality
28  Our risks and their management
30  Governance, leadership and people
36  Looking forward to 2022-23
ACCA is a leading global professional accountancy body incorporated by Royal Charter in the UK.

Today, we are a global community centred around our 241,000 members and 542,000 future members who support economic growth across 178 countries.

As the world’s most forward-thinking accountancy body, our vision is to develop the accountancy profession the world needs. A profession that is a force for public good. An inclusive profession that creates opportunity for everyone to fulfil their potential, drives sustainable economies and enables thriving societies.

We believe that accountancy is a cornerstone profession of society and is vital in enabling economies, organisations and individuals to grow and prosper. Because a strong global accountancy profession benefits society by creating robust trusted financial and business management, combating corruption, ensuring organisations are managed ethically, driving sustainability, and providing rewarding career opportunities.

Whatever the purpose of an organisation, without the right financial and business expertise in place, it will not achieve its full potential. Our qualifications develop strategic business leaders, forward-thinking professionals with the financial, business and digital expertise essential for the creation of sustainable organisations and flourishing societies. Every day, ACCA professional accountants help people and organisations create value by thinking innovatively, making sound decisions and doing the right thing. We build public trust by developing and regulating an inclusive profession with people from all backgrounds, bound by a common global code of ethics and committed to updating their skills to meet ever-changing needs.

Since 1904, being a force for public good has been embedded in our purpose, and this powers everything we do. Like offering everyone, everywhere the opportunity to access a rewarding career in accountancy. Like committing to support the delivery of the UN Sustainable Development Goals. Like harnessing the power of digital technologies to shape the future of the profession. Like freely sharing our leading-edge research that answers today’s questions and prepares our profession for tomorrow.

Like supporting our global community of members, future members and partners to succeed. Like working in partnership with emerging economies to establish their own professional accountancy organisations and grow their finance ecosystems, bringing together our unrivalled global network, experience and insight to drive this forward.

And, of course, always thinking ahead and taking the lead in developing the profession for the next generation. Find out more at accaglobal.com.
This is our 11th annual integrated report, prepared in accordance with the International <IR> Framework. We have chosen to adopt the revised version of the <IR> Framework, published in January 2021 as a signal of our commitment to good practice.

As a strong supporter of the global sustainability reporting standards issued by the International Sustainability Standards Board (ISSB), we’re committed to adopting the ISSB standards in our future annual integrated reports. This year, we start by using the Exposure Draft of IFRS S2 Climate-related Disclosures, published in March 2022, as guidance as we report against our climate commitments for the first time.

Our report is designed to give anyone whose success depends on ACCA – especially our members, future members, education providers and employers – insight into the strategic thinking that drives ACCA forward, encompassing our strategy, governance, performance and prospects in the context of our global environment.

Oversight and responsibility
ACCA’s Audit Committee reviews this report, which our Council Board and then ACCA’s governing Council approves. In this way, ACCA’s Council is ultimately responsible for ensuring the report’s integrity.

The Audit Committee has confirmed that it has applied its collective mind to the preparation and presentation of this report and that, in its considered opinion, it is presented in accordance with the International <IR> Framework. This report was also approved by Council at its meeting on 2 July 2022.

Scope of external assurance
In addition to our external auditor assuring our detailed consolidated financial statements, we have obtained assurance over the performance measures reported against our strategic outcomes in the strategic performance section from an external, independent provider.

The external auditor considers whether the integrated report is consistent with the financial statements and the information that they have received during their external audit.

Want more detail?
We aim to keep this report concise, while covering everything required by the International <IR> Framework. If you’d like to know anything that you can’t find here, or you’d like to give us feedback, please contact us at externalreporting@accaglobal.com.
Our 2021-22 highlights

We’re a force for public good. We lead the global accountancy profession by creating opportunity. This year we continued to progress ACCA’s purpose against a backdrop of continuing turbulence and volatility in the global environment.

We grew our diverse, connected community, with 241,000 members and 542,000 future members now supporting economic growth across 178 countries.

We enjoyed 3.4% member growth, growing our global member market share to 21.7% – reaching our original 2025 ambition with a 0.5% rise on 2020-21.

We prioritised members’ and future members’ career success, with:

- ACCA Career Navigator: a new employability tool for the ACCA community developed alongside new professional insights, Professional accountants at the heart of sustainable business
- ACCA Learning: an intuitive new way for ACCA members, partners, and new customers to access our portfolio of continuous learning and upskill so they can deliver greater value to business and society
- 23 virtual careers fairs across the world

We supported future members to progress, with:

- 68,000 remotely invigilated exams booked across 77 countries
- On-demand computer-based exams now offered in 117 countries
- 31.9% of students passing an exam in the year
- A new remote practical experience supervisor platform

We offered our members and partners sector-specific value, including our new public sector hub, Frontline, and our thriving Practice Room community.

We strengthened our partnerships, with:

- 88% of employers and 86% of learning providers satisfied with ACCA.

We demonstrated leadership on the sustainability agenda through a broad range of activities including:

- Promoting the role ACCA members are playing in driving sustainable economic recovery and growth
- Curating and developing a wide range of resources on climate change, climate risk and green and sustainable finance, sharing these on our new ACCA Sustainability Hub
- Contributing to the Financial Reporting Council’s review of climate considerations by board, companies, auditors, professional bodies and investors
- Beginning our journey to carbon net zero, completing a baselining exercise that uses the 2019-20 performance year as the starting point

ACCA won Professional Body of the Year at the 2021 Digital Accountancy Forum and Awards in recognition of our strategy to 2025, our continued and amplified focus on member and future member wellbeing and employability, and our response to the Covid-19 pandemic.
Super-connecting the ACCA community

In 2021-22 ACCA demonstrated its super-connector and relationship building credentials through a broad range of global and regional activities and events. Through these events and many more, ACCA is supporting and nurturing a proud, increasingly connected and vibrant community, with our ethical, professional members at its very heart.

Global achievements

> Record numbers at our flagship virtual conference, Accounting for the Future – over 30,000 registrations from 186 countries
> Hosted our 11th international public sector conference – 12,000 participants from 169 countries
> First-ever global university conference
> Brought together senior stakeholders from strategic employer relationships through global, digital round-table events

Regional achievements

> Largest virtual careers fair in Africa – 14,000 registrations and 75 employers
> Caribbean virtual public sector conference
> Strengthened relationships with public sector organisations across Africa through certificates in IPSAS and PFM
> First-ever Greater Bay Area Summit in China – 15,000 participants for live and on-demand stream
> Global Ethics Week event for Middle East and South Asia, with ten partners and a reach of over one million

If I could pick one major theme which ran through ACCA’s work in the last year, I’d say it was all about community.

It’s been a year when, as individuals, as ACCA, and as a profession, we have picked up many of the threads that loosened or frayed during the first two years of the Covid-19 pandemic and brought them together again.

Of course, we are proud that we did so much to stay together during the many lockdowns and related challenges around the world. We supported members with advice and advocacy; we extended flexibility on fees; and critically, we kept the road to qualification open for thousands of students, accelerating our digital transformation to enable remote exams while centres were closed. In so many ways, we strived to retain ‘business as usual’ at a moment in history when life was nowhere near usual!

Through it all, we have been able to connect the ACCA community to bring global value at a time of change, against the backdrop of an increasingly polarised world. The ACCA family remains active, ready and eager to make the world a better place. Throughout this report we share amazing examples of precisely how we have done that, and how we continue to do that.

A key element in our work is, of course, advocacy – standing up for the power of our profession to make a positive contribution to society. That is completely in line with our strategic vision to be #1 in developing the accountancy profession the world needs. It means continuing to champion the highest standard of ethics, professional excellence and technical expertise through our education, the ACCA Qualification, our commitment to continuous learning and upskilling, and in all the many ways we communicate the value ACCA members can deliver.

In 2021-22, we’ve continued to ensure ACCA remains a powerful and positive influence – both in the business world, and in the corridors of power where major national, regional and global decisions affecting the profession are made. And we’ll continue to draw on ACCA’s influence to support a standardised, global framework of reporting standards, to ensure greater global consistency in how the sustainable long-term value organisations deliver is measured and reported on. This, of course, is consistent with ACCAs own sustainability commitments. And by drawing on our connections, partnerships and networks across the ACCA community, we’ll be best placed to play our part together in ensuring a more sustainable future for business and society.

I’m so proud of all we have achieved together in the last year, and I look forward to many more accomplishments in the months and years ahead.

Orla Collins
President, ACCA
Helen Brand
Chief executive

In 2021-22, the ACCA community once again faced grave new challenges. We saw severe geopolitical tensions and conflict across a number of markets, most recently in Ukraine, which has had devastating impacts for many of ACCA’s members and future members.

Last year also brought with it continuing disruption as a result of Covid-19, creating individual and professional challenges for many. The pandemic has also severely impacted the global economy, with different markets recovering at different speeds; it has also brought about rapidly changing market dynamics, with new ways of working and new skills needed to navigate a world that continues to fundamentally change.

Our response in 2021-22 was to place a critical strategic focus on the things that matter most: member support, student progression and ensuring a sustainable organisation.

We have continued to connect, champion, support and provide upskilling opportunities for ACCA members. As members and also employers, ACCA professionals hold the key to sustainable economies and are ideally placed to drive forward integrated thinking and reporting through the finance function. This informed our brand themes, professional insights and learning solutions, all of which featured a strong focus on the value of the profession and the role ACCA members can play in driving sustainable business.

We have also placed a clear focus on employability and career support. Our programme of virtual careers fairs continued in 2021-22, and over 44,000 members and future members, and over 1,000 employers have now actively participated in these. In September, we added to our careers support by launching ACCA Career Navigator. This new digital resource is based on extensive consultation and also ACCA’s own professional insights, Professional accountants at the heart of sustainable organisations, and helps members and future members develop the core capabilities they need to succeed, signposting learning, jobs and case studies.

One of ACCA’s great strengths is our increasingly connected and active community. To strengthen members’ ability to connect with one another and share knowledge and insight, we continued to enhance our SME, SMP and public sector community support. Our Practice Connect online hub, featuring The Practice Room – where ACCA members acting as community leads host discussions – continues to go from strength to strength, with over 45 sessions hosted to date, attended by practitioners from 85 countries. And last year our public sector hub, Frontline, went live, and we also introduced a toolkit to enable members and future members to move from the private sector to the public sector with confidence.

We also offered specific support to those in the ACCA community facing significant challenge. In response to the incredibly challenging conditions as a result of the war in Ukraine, we have waived the 2022 subscription fee for our members and future members in Ukraine, offered advice for those fleeing the war, signposted job opportunities from employers in surrounding countries seeking to employ displaced Ukrainians, and shared free learning. On a global scale, we have also continued to offer wellbeing resources and specific subscription support for those facing a range of hardships.

Despite all the disruption and uncertainty, we continued to support our future members to enter and pass their exams, and progress to membership. We worked closely with our network of tutors and learning partners to expand access to quality blended and digital tuition, and ensure students felt motivated and ready to enter and succeed in their exams. We also placed a focus on engaging students who hadn’t been entering for the exams, offering all our students wellbeing support, and also part-payment support for those facing challenges. All of this resulted in higher than expected numbers of students passing an exam in the year, and also an increase on new membership admissions compared to last year. These results indicate that the range of support we’re offering is driving confidence.
They also serve to demonstrate the ongoing commitment of our future members as they progress their different journeys to membership.

I’m particularly proud of the speed with which we’ve expanded our online exams with remote invigilation in the past year. We continued to face significant challenges in hosting physical exams as a result of Covid-19, resulting in a significant shortfall in terms of planned exam entries for the year, which – among other factors – impacted our financial performance. However, it was heartening to see students worldwide taking the opportunity to sit the exams remotely instead in increasing numbers, with over 68,000 remotely invigilated session-based exams booked last year by students in 77 countries.

In an increasingly digital world, we fully recognise our responsibility to deliver in a way that best serves our members, future members and wider network. So last year we continued to invest in our digital capabilities to engage with and connect the ACCA community more comprehensively than ever, modernising our digital infrastructure to improve our speed to market and create more personalisation. We launched the new ACCA Learning platform, featuring our portfolio of continuous learning solutions for members, future members and other finance professionals. As already mentioned, we significantly ramped up our ability to offer remotely invigilated exams for students. And as part of a programme of work to build our finance capabilities, we introduced new global digital invoicing and purchasing tool to make it easier for stakeholders, suppliers and partners to do business with ACCA.

We also kept to evolving our operations to deliver value as efficiently and effectively as possible and ensure a future-ready, resilient and sustainable organisation. We continued to embed digital ways of working, took decisions to reduce our property portfolio, and implemented a number of changes designed to completely transform how we deliver to the marketplace.

In a world that’s continually and rapidly changing, we know how important it is to keep investing in ACCA’s future. During the year, we made the decision to add to our strategic investments; this, along with the exam shortfall, and the impact of the change in capitalisation rules and wider volatility in the global financial markets, meant that we ended the year with a financial deficit of £0.9m. We remain confident that the strategic investments we’re making in ACCA’s future will deliver significant long-term value.

The global context has highlighted the importance of ACCA’s purpose, which, along with our values, has informed our ethos since 1904. ACCA’s ability to act as a force for public good and lead the accountancy profession by creating opportunity remains as important as ever in a turbulent and rapidly changing world; and we are continuing to work alongside the ACCA community to deliver our purpose – removing artificial barriers to the profession, acting in the public interest and focusing on long-term value as we keep striving to develop a robust, fair and inclusive global profession.

The access we offer to the profession, our collective focus on sustainability and inclusion, and our ability to harness the power of digital through our connected communities, exam delivery, learning support, events and employability resources all serve to give ACCA members and future members a leading edge.

The ACCA community, as a result, has particularly high expectations. So it was rewarding to see members’ and future members’ perceptions in terms of ACCA’s innovation and integrity remain at over 80% across all stakeholder groups. While we did not meet our target for perceptions linking to our inclusion value, these have also trended steadily upwards during the pandemic. And employer perceptions are also high: our Net Promoter Score for employers increased year on year by +1.3 points to +52.6. This strong result indicates that employers across the world continue to value the ACCA designation and see ACCA as their first choice in terms of talent.

And we’re acting on the expectations of our community, and the wider expectations of society, as we continue to focus attention on the importance of the sustainability agenda. ACCA has been championing integrated reporting and a single set of sustainability standards for over fifteen years. The new International Sustainability Standards Board is now working on the standards, which we believe are urgently needed. The new standards will bring with them greater consistency, transparency and accountability, something so important not just for business and society but for the planet. This will also benefit ACCA members around the world, many of whom are acting as valued partners to the business community, supporting them to report on the sustainable value they deliver. Working to the same set of standards will enable ACCA members to flourish in this space and add even more value as they support organisations to take bold steps to deliver positive change.

Last year, ACCA’s growing and thriving community of members and future members continued to demonstrate the value the profession can keep delivering in the face of profound disruption. I want to thank everyone in the ACCA community who continued to contribute to the profession, business and society, and by doing so kept progressing ACCA’s purpose in extraordinary times.

In the year ahead, within ACCA we will keep challenging ourselves to do things differently and better, so we’re best placed to support the ACCA community to continue to be a force for public good and deliver what the world needs.

Helen Brand OBE
Chief executive
ACCA’s strategy to 2025 sets out how we will secure a vibrant, sustainable future for ACCA by fulfilling our purpose, remaining true to our values and realising our vision.

Purpose
We’re a force for public good. We lead the global accountancy profession by creating opportunity. Our purpose sets out the value we seek to create for society. The idea of opening up the profession, doing things differently and better, and never losing sight of our public value remit are concepts that lie at the very heart of ACCA’s DNA.

Values
Our three values build on the unique reasons why ACCA was created, and the difference we’ve brought to the global profession.

- **Inclusion**: We create opportunity for all. We remove artificial barriers, create connections, and embrace diversity.
- **Integrity**: We’re ethical, honest and accountable, and encourage the same from others. We act in the public interest and focus on long-term value.
- **Innovation**: We think ahead. We explore new ideas, creating solutions that ensure that our community and the wider profession are ready for today and tomorrow.

Vision
Our strategic vision is to be #1 in developing the accountancy profession the world needs

**Strategy to 2025 framework**
To deliver our vision, our strategy to 2025 sets out two outcomes: **Lead** and **Create**.

### Lead
Our proud, connected community delivers change for public good.

### Create
Our unique knowledge enables us to shape the future and create long-term value.

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For each outcome, we have articulated clear ambitions for ACCA and its community.
Lead: Our proud, connected community delivers change for public good.
To deliver this strategic outcome, our ambitions focus on two key elements: business and society and community.

Between now and 2025 our ambition is to:

- Build an inclusive global profession, which supports the development of ethical, sustainable and successful businesses and economies
- Ensure everybody has access to a quality finance and accountancy education to achieve their aspirations
- Promote ACCA as a trusted, forward looking brand that inspires business leaders, employers and decision makers
- Influence governments, policy makers and regulators to draw on our global perspective to develop the profession
- Ensure our members are recognised as ethical, strategic professionals that drive trust in business for public good

Create: Our unique knowledge enables us to shape the future and create long-term value.
To deliver this strategic outcome, our ambitions focus on two key elements: knowledge and value.

Between now and 2025 our ambition is to:

- Be the global leader in identifying emerging issues and opportunities for the profession, defining the way forward
- Leverage the collective expertise of our community to develop world-class insights
- Develop a deep understanding of our diverse community to anticipate what the marketplace and the world needs
- Provide every part of our community with access to the knowledge they need to succeed in a changing world
- Share ACCA’s knowledge to shape the profession for the benefit of business and society

### Business and society

- Maximise ACCA’s role as a super-connector, drawing on our global presence to facilitate connections that deliver value
- Transform our network into a proud, connected community with members and future members at its heart
- Facilitate ACCA’s community to think ahead and drive positive change
- Draw on the community’s collective experience to establish ACCA as a global voice leading the profession, reinforcing our reputation for bold leadership
- Inspire people, employers, educators and organisations everywhere to join ACCA’s growing and evolving community

### Knowledge

- Be the global leader in identifying emerging issues and opportunities for the profession, defining the way forward
- Leverage the collective expertise of our community to develop world-class insights
- Develop a deep understanding of our diverse community to anticipate what the marketplace and the world needs
- Provide every part of our community with access to the knowledge they need to succeed in a changing world
- Share ACCA’s knowledge to shape the profession for the benefit of business and society

### Value

- Ensure the ACCA Qualification remains the first-choice global professional accountancy qualification for employers in all sectors
- Ensure our future members are informed, motivated and supported to successfully progress to ACCA membership
- Support our members, future members and continuous learners to enjoy dynamic and flexible careers both now and in the future
- Support employers to build the capability of their teams, embedding ethics and professionalism across global business
- Use our unique knowledge to innovate, developing forward-thinking solutions to keep ACCA and the profession relevant and deliver value to the world

Strategic performance targets are set across ACCA’s balanced scorecard by the Council Board to track our progress in delivering these outcomes and ambitions, and the targets are linked to Executive remuneration.
Building our capabilities to deliver the strategy to 2025

We recognise that the strategy is full of ambition, and the world is fundamentally changing. So we know we need to continually evolve and change to ensure we’re delivering the strategy to 2025 in the most efficient and effective ways.

An underpinning Deliver outcome sets out the operational capabilities we will focus on to deliver the Lead and Create strategic outcomes set out in the strategy to 2025.

Our Deliver outcome is formed of three capabilities, each with its own set of ambition statements. These are broadly summarised below.

- **Partners**
  We plan to continually build our partnership capabilities. We want bold and exciting partnerships that amplify ACCA’s global voice and influence, and partners who can work alongside us to develop sustainable products, services and solutions for the ACCA community.

- **Talent**
  We plan to connect, inspire and empower our people and teams to deliver great things. We want to ensure maximum organisational agility and deploy ACCA resources in the most efficient and effective ways to create long-term value. We’re continually exploring how we can do things differently and better to serve the ACCA community.

- **Digital**
  We know that digital capabilities will support and maximise the delivery of the strategy to 2025. Our current digital transformation plans act as a key enabler to deliver our digital ambitions to 2025.

  The Executive team sets internal measures and targets to drive the development of our Deliver capabilities. These are not linked to remuneration.

Contributing to Rwanda’s success:

we’re proud of our successful twinning partnership with the Institute of Certified Public Accountants of Rwanda (ICPAR), which has led to a new accountancy technician qualification, and the enhancement of ICPAR’s relevance and long-term sustainability which included a review of the country’s audit capacity, sustainability and human resource planning. We’re now working together on a revamp of the ICPAR professional accountancy qualification.

‘ICPAR is an ambitious institute for an ambitious country and we recognise how vitally important accounting technicians are to fuelling Rwanda’s growth. Every school, hospital, business and government department needs the skills which this new qualification will provide.’ – Amin Miramago, ICPAR CEO.

This progresses the following areas of ACCA’s vision, purpose and strategy

- **Purpose**
- **Integrity value**
- **Lead**

**UN SDG commitment**

- **SDG 16**: Peace, justice and strong institutions
- **SDG 17**: Partnerships for the goals

Increasing financial literacy in India: Sumathi Mohnani, FCCA leads a membership project to give back to the community recognising the value of teaching children vital skills, especially those who are disadvantaged. So they created a two-year programme dedicated to teaching children financial literacy. This initiative builds foundation for future skills development, fosters inclusion and social mobility, and in doing so will help fight poverty.

Strategy to 2025 balanced scorecard

We assess our progress in delivering the strategy to 2025 through seven measures, adopting a balanced scorecard approach.

<table>
<thead>
<tr>
<th>Strategic outcome</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>Number of members</td>
</tr>
<tr>
<td>Lead</td>
<td>Brand trust (formed of four measures)</td>
</tr>
<tr>
<td></td>
<td>Innovation: % agree that ACCA shapes the accountancy profession</td>
</tr>
<tr>
<td></td>
<td>Integrity: % agree that ACCA promotes the highest professional and ethical standards</td>
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<tr>
<td></td>
<td>Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart</td>
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<tr>
<td></td>
<td>Market share</td>
</tr>
<tr>
<td>Business and society</td>
<td>Financial sustainability</td>
</tr>
<tr>
<td>Community</td>
<td>Net promoter score (NPS)</td>
</tr>
<tr>
<td>Create</td>
<td>Number of future members</td>
</tr>
<tr>
<td>Knowledge</td>
<td>% agree that ACCA understands my needs as a member/future member</td>
</tr>
<tr>
<td>Value</td>
<td>Progression (formed of three measures)</td>
</tr>
<tr>
<td></td>
<td>Number of exam entries</td>
</tr>
<tr>
<td></td>
<td>% passing ACCA exams in a year</td>
</tr>
<tr>
<td></td>
<td>% of affiliates achieving membership within four years</td>
</tr>
</tbody>
</table>

This progresses the following areas of ACCA’s vision, purpose and strategy

- **Purpose**
- **Innovation and inclusion values**
- **Lead**

**UN SDG commitment**

- **SDG 4**: Quality education
- **SDG 10**: Reduced inequalities
- **SDG 17**: Partnerships for the goals
This progresses the following areas of ACCA’s vision, purpose and strategy

- Purpose
- Innovation and inclusion values
- Lead

UN SDG commitment

- SDG 9: Industry, innovation and infrastructure
- SDG 13: Climate action
- SDG 17: Partnerships for the goals

ACCA’s approach to delivering sustainability

Sustainability is intrinsic to ACCA’s role within the accountancy profession, and our strategy to 2025 reflects this. In December 2020, we published a set of commitments we’ve made in support of the UN Sustainable Development Goals (UN SDGs).

The commitments articulate in a holistic way how ACCA and its community are contributing to the transformational change needed to create a fairer and better world, and they provide a framework that enables us to share ACCA’s progress across the sustainability agenda.

The commitments sit alongside the strategy to 2025 and, as we report each year on the delivery of the strategy and the long-term value ACCA is creating, we also report on our progress and learnings in relation to our continuing sustainability journey.

ACCA’s strategy to 2025 articulates how ACCA is delivering sustainability, and so our primary method of measuring progress is through the strategy to 2025 balanced scorecard.

We recognise the importance and interconnected nature of all the UN SDGs. While it is very likely that ACCA members are contributing in different ways to all of them, we believe that ACCA can make the most significant contribution towards nine of the UN SDGs. The table on the next page sets out our commitments, their link to the strategy to 2025, the UN SDGs and the related targets the commitments support. Throughout this report we’ve shared examples of the progress ACCA and its community made in 2021-22.

We know that the ACCA community can make a significant contribution to a sustainable future for our planet. ACCA is also in a strong position to positively influence governments, policy makers and regulators on sustainability matters, and to develop the profession in line with the UN SDGs.

We’ve also made commitments as an organisation and employer, including our ambition to become carbon net zero, ensuring ACCA’s workforce achieves gender equality, and ensuring ACCA is a fair and inclusive place to work.
## ACCA’s commitments to the UN Sustainable Development Goals

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Link to strategy</th>
<th>Tracking progress</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vision Create</strong></td>
<td><strong>Vision strategic measure:</strong> number of ACCA members</td>
<td><strong>Lead (Brand trust) strategic measure:</strong> % agree that ACCA shapes the accountancy profession. Sharing information on relevant initiatives and case studies.</td>
</tr>
<tr>
<td>We will offer access to a quality finance and accountancy education that is free from artificial barriers.</td>
<td><strong>Create strategic measure:</strong> % of students passing exams in the year. Sharing information on relevant initiatives and case studies.</td>
<td><strong>Contributes to UN SDG Targets 4.3 and 4.4</strong></td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td><strong>Sharing gender balance information relating to ACCA’s Council and community. Publishing and improving our UK gender pay gap for employees at all levels. Sharing information on initiatives that drive gender equality.</strong></td>
<td><strong>Sharing progress on ACCA’s journey to carbon net zero. Sharing information on relevant initiatives and case studies.</strong></td>
</tr>
<tr>
<td>We will promote gender equality across our global community and achieve gender equality across our employee population.</td>
<td><strong>Create (Value) progression strategic measure:</strong> % of future members. <strong>Sharing information on relevant initiatives and case studies.</strong></td>
<td><strong>Contributes to UN SDG Target 5.5</strong></td>
</tr>
<tr>
<td><strong>Vision Lead Create</strong></td>
<td><strong>Vision strategic measure:</strong> number of ACCA members</td>
<td><strong>Lead (Brand trust) integrity measure:</strong> % agree that ACCA promotes the highest professional and ethical standards. Sharing information on relevant initiatives and case studies.</td>
</tr>
<tr>
<td>We’ll support our community to progress in their careers so they can actively contribute to sustainable economic growth.</td>
<td><strong>Create (Value) progression strategic measure:</strong> % of affiliates achieving membership in four years. <strong>Sharing information on relevant initiatives and case studies.</strong></td>
<td><strong>Contributes to UN SDG Targets 8.2, 8.3 and 8.6</strong></td>
</tr>
<tr>
<td><strong>Vision Lead</strong></td>
<td><strong>Lead (Brand trust) strategic measure:</strong> % agree that ACCA promotes the highest professional and ethical standards. Sharing information on relevant initiatives and case studies.</td>
<td><strong>Sharing progress on ACCA’s journey to carbon net zero. Sharing information on relevant initiatives and case studies.</strong></td>
</tr>
<tr>
<td>We will empower our community so they can support organisations to be ethical, sustainable, successful and able to participate in the global economy.</td>
<td><strong>Sharing information on relevant initiatives and case studies.</strong></td>
<td><strong>Contributes to UN SDG Targets 9.3 and 9.a</strong></td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td><strong>Publishing and improving our UK ethnicity pay gap for employees at all levels. Sharing information on relevant initiatives and case studies.</strong></td>
<td><strong>We will work in partnership with others to build an inclusive global profession that supports the development of ethical, sustainable and successful businesses and economies.</strong></td>
</tr>
<tr>
<td>We will advocate for inclusion, diversity and social mobility within and on behalf of our community, and ensure ACCA is a fair and inclusive place to work.</td>
<td><strong>Contributes to UN SDG Target 10.2</strong></td>
<td><strong>Contributes to UN SDG Targets 17.9, 17.13, 17.14, 17.16.</strong></td>
</tr>
<tr>
<td><strong>Vision</strong></td>
<td><strong>Vision strategic measure:</strong> number of members</td>
<td><strong>Vision strategic measure:</strong> number of members. Sharing information on relevant initiatives and case studies.</td>
</tr>
</tbody>
</table>
Our strategic focus in 2021-22

In 2021-22 we deployed a reduced and sharpened focus for the second year in a row to ensure ACCA continued to respond to the Covid-19 pandemic in the most agile and sustainable way.

Our three areas of critical strategic focus in 2021-22 were:

- **member support**: we wanted every member to value and retain their relationship with ACCA. In 2021-22, we aimed to support our members’ careers and employability and give them access to relevant information and upskilling opportunities to enable them to contribute to a sustainable global recovery.

- **student progression**: we wanted every student to value and progress their journey with ACCA. In 2021-22, we aimed to give all our students the support they needed to confidently enter and pass their exams. To enable this, we ran exams in as many markets as possible, bolstering capacity through online exams with remote invigilation.

- **a sustainable organisation**: in 2021-22, we kept innovating to meet the needs of our stakeholders and invested in ACCA’s future. This also included starting to transform how ACCA operates to strengthen our flexibility, deliver efficiencies and ensure ACCA remains in a strong position to keep seizing new opportunities to deliver value.

ACCA’s Council Board approved formal targets for the areas of critical strategic focus, with the Executive team also setting and monitoring planned performance across the entire balanced scorecard to support future planning and target setting.

The five targets we focused on meeting in 2021-22 are set out below.

### ACCA’s gender profile

We were the first professional accountancy body to admit a woman in 1909, and the first to have a woman president. 64.2% of our affiliates, 59.4% of our ACCA students and 58% of our Foundations in Accountancy students are women. And, with 47.8% of our membership being women, we’re aiming for 50% by 2030. We’re taking action in three areas to support this:

- reviewing our communications to ensure ACCA membership is attractive to women
- supporting women in leadership
- offering additional focused support to improve gender equality in selected markets.

This progresses the following areas of ACCA’s vision, purpose and strategy:

- **Purpose**
- **Inclusion value**
- **Lead**

UN SDG commitment

- **SDG 5**: Gender equality

### Strategic outcome

<table>
<thead>
<tr>
<th>Measure</th>
<th>2021-22 focus targets</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vision</strong></td>
<td></td>
</tr>
<tr>
<td>Number of members</td>
<td>Member retention</td>
</tr>
<tr>
<td><strong>Lead</strong></td>
<td></td>
</tr>
<tr>
<td>Brand trust (formed of four measures)</td>
<td></td>
</tr>
<tr>
<td>- Innovation: % agree that ACCA shapes the accountancy profession</td>
<td></td>
</tr>
<tr>
<td>- Integrity: % agree that ACCA promotes the highest professional and ethical standards</td>
<td></td>
</tr>
<tr>
<td>- Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart</td>
<td></td>
</tr>
<tr>
<td>- Market share</td>
<td></td>
</tr>
<tr>
<td><strong>Business and society</strong></td>
<td>Financial sustainabilty</td>
</tr>
<tr>
<td>Financial sustainability</td>
<td></td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td>Net promoter score (NPS)</td>
</tr>
<tr>
<td><strong>Create</strong></td>
<td></td>
</tr>
<tr>
<td>Number of future members</td>
<td>Future member retention</td>
</tr>
<tr>
<td><strong>Knowledge</strong></td>
<td></td>
</tr>
<tr>
<td>% agree that ACCA understands my needs as a member/future member</td>
<td></td>
</tr>
<tr>
<td><strong>Value</strong></td>
<td></td>
</tr>
<tr>
<td>Progression (formed of three measures)</td>
<td></td>
</tr>
<tr>
<td>- Number of exam entries</td>
<td></td>
</tr>
<tr>
<td>- % passing ACCA exams in a year</td>
<td></td>
</tr>
<tr>
<td>- % of affiliates achieving membership within four years</td>
<td></td>
</tr>
</tbody>
</table>

**Progression: % of students passing an exam in the year**
**ACCA’s purpose:** We’re a force for public good. We lead the global accountancy profession by creating opportunity

**LEAD**

- Influencing the debate eg on the future of audit and corporate reporting (P, IP, C)
- Building connections through our communities (P, C)
- Working on PFM reform in Pakistan, Rwanda, Malawi, Greece (IP, P, C)
- Our network of offices, teams with local knowledge (P)

**CREATE**

- Upskilling our community and supporting successful careers through ACCA Career Navigator, ACCA Learning and ACCA Careers (IP, P, M)
- Improving how our data drives our decisions and enables personalized support (P, M)
- Our route to net zero and our wider sustainability commitments (N)

**BUSINESS AND SOCIETY**

- Global access to relevant, high-quality finance and accountancy education free from artificial barriers enabling individuals to build their careers and providing businesses with the skills they need (All capitals)
- AC2030 SDGs
  - UN SDG 4
  - UN SDG 5
  - UN SDG 8
  - UN SDG 9
  - UN SDG 10
  - UN SDG 12
  - UN SDG 13
  - UN SDG 16
  - UN SDG 17

**COMMUNITY**

- Demonstrating the value of the profession in driving sustainable business creating demand for ACCA members (IP, P, C)
- Shaping the future of the accountancy profession so that it delivers maximum value to society, boosting economic development and improving living standards (IP, P, C)
- Working with and empowering our community to be a force for public good and support the ambition of the UN SDGs (IP, P, C)
- Diverse, high-performing people across our operations and governance putting our stakeholders needs at the centre of decision-making (P)
- Through our focus on reducing emissions, we aim to increase financial efficiency enabling us to reinvest in innovations to support our community (N)

**Our capitals**

- **People (P):** the knowledge, skills and expertise of our diverse teams
- **Community (C):** our global network of members and future members, education providers, employers, PAOs, government and regulators driving the profession forward
- **Intellectual property (IP):** our content, learning and assessment expertise, thought leadership
- **Financial (F):** subscriptions and other income that enables us to re-invest in supporting our members and future members
- **Manufactured (M):** our ability to offer learning and assessment globally; our investment in digital transformation
- **Natural (N):** our reliance on natural resources to power our office infrastructure; working with our partners and supply chain to reduce consumption of resources and empowering our members to drive sustainable practice across their organisations

**Creating value for our stakeholders**

- **Building connections through our communities (P, C)**
- **Working on PFM reform in Pakistan, Rwanda, Malawi, Greece (IP, P, C)**
- **Our network of offices, teams with local knowledge (P)**
A number of key factors are shaping our external environment.

The global economy

Covid-19 is continuing to cause significant economic disruption across ACCA’s markets, impacting employment and creating risks to members and future members being able to retain their relationships with ACCA. As a number of markets started to emerge from the pandemic in 2021, two economic concerns arose: the unbalanced nature of the recovery, with lower-income economies at risk of being left behind, and the risk of rampant global inflation. While the full economic consequences are yet to emerge at the time of writing this report, the impact of the 2022 conflict in Ukraine on global supply chains and the threat of renewed Covid restrictions in 2022, particularly evidenced in China, are presenting further significant risks to the global economy.

We recognise that, against this volatile economic backdrop, we need to keep articulating and demonstrating to members and future members the continuing value of a relationship with ACCA, supporting and championing their value in the market place, and acting with their best interests at heart.

The geopolitical environment and shifting market dynamics

Political tensions have continued to present risks to ACCA’s community and operations. The conflict in Ukraine has severely impacted ACCA’s community and operations in central and eastern Europe, leading to the suspension of ACCA’s operations, including exams, in Russia and Belarus. ACCA’s geographic footprint has also continued to evolve, bringing increased complexity to our operations across multiple markets and jurisdictions. Our future member growth has shifted in recent years from traditional strongholds such as the UK, Ireland, Singapore and Malaysia, to rapid expansion in China and India, bringing different market needs in relation to learning and employer support, exam behaviours and journeys to membership.

Our analysis also points to rapidly shifting market-specific dynamics that are likely to impact ACCA’s operations. The recent widespread Covid-19 related lockdowns in China have impacted ACCA’s ability to deliver exams, and we are now seeing additional market developments including changing education policies and a growing demand for post-graduate qualifications that are intensifying competition.

All of these factors, combined, have created greater levels of uncertainty in ACCA’s operating environment. Together, they reinforce how important it is that we articulate, and demonstrate, the value ACCA can deliver across different markets by offering relevant and future-ready knowledge and skills informed by global best practice, and how important it is that we provide members and future members with a strong sense of community and value, acting with their best interests at heart.

Climate change and natural capital protection

In 2021 we saw climate change and the protection of the planet rise to the top of the global agenda, reinforced by COP26 and the Glasgow Climate Pact. As business, finance and governments look ahead to how to shape both green and socially inclusive recoveries, the accountancy profession will be – in the words of Mark Carney, UN special envoy on climate and COP 26 finance adviser – “absolutely essential” to delivering the change the world needs. The unique view that professional accountants have across the organisations they work for and advise, coupled with their ethical and technical competencies, makes them vital to this transformation which can place sustainability impact at the heart of business decision-making.
Therefore, ACCA has a vital role in ensuring that members and future members have the competencies to recognise climate-related risks and opportunities in relation to their own organisations and clients’ businesses.

**The demand for accountancy**
A wide and varied range of sources indicate a continuing global demand for accountants. This is being driven by various factors including the economic recovery of some global markets, the Covid-19 related ‘great resignation’ leading to a ‘war for talent’ in accountancy and finance, and the opening up of new talent pools facilitated by increased remote working. The increasing public demand for business and government accountability has also placed an emphasis on transparent reporting and driving a sustainable approach to global economic recovery from the pandemic. Digital acceleration is, however, also creating disruption within the profession.

We recognise we need to continue to demonstrate ACCA’s relevance, and our ability to equip members and future members with the skills needed both now and in the future.

**Partnerships**
ACCA is seeing all our partners (employers, education providers, governments, regulators and others) impacted by Covid-19 in different ways, with some able to adapt swiftly and others requiring significant support to adapt. We are also seeing our partners facing challenges relating to geopolitical conflict, and new disruption from non-traditional competitors such as EdTech and FinTech. These disruptors also bring with them opportunities for ACCA to develop new partnerships to deliver value to the ACCA community.

ACCA partners, both now and in the future, remain critically important as we seek to deliver value to our community, drive our continuing growth and reinforce our relevance, attractiveness and leadership of the profession.

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### Future global trends

**On a global scale, we’ve identified a number of future global trends with the potential to disrupt ACCA and its community. These bring with them challenge and change; they also, however, create new opportunities for partnership and innovation that can benefit the ACCA community.**

**Increasing public demand for business and government accountability**
The Covid-19 pandemic has brought with it a strong societal push not to go back to the way things were before. The public increasingly expects government and business intervention to drive more ethical approaches, and we anticipate a growing number of businesses focusing on improving corporate social responsibility and articulating how they will play their part in addressing the climate crisis and contributing to a sustainable future.

ACCA’s response
- Support members to contribute to a sustainable global recovery
- Engage with governments and regulators to positively influence shaping policy
- Deliver ACCA strategy to 2025 in a way that supports our commitments to the UN SDGs

**Continuous learning and the digitisation of education**
We are seeing accelerating employer and member demand for upskilling and training. The need to remain relevant in the face of disruption, combined with a greater desire to change job roles and careers more swiftly than seen in the past, mean that continuous learning is here to stay. The move to digital is transforming how people learn and also raising their expectations of digital education and learning provision.

ACCA’s response
- Innovate and invest in our future vision for learning and assessment which encompasses the ACCA Qualification, continuous learning innovations and access to quality digital education.

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**Technology and the role of the accountant**
Digital disruption is radically changing the role of the accountant, and enabling new business models to emerge, creating both challenge and opportunity for ACCA members. We recognise how important it is to keep evolving the profession to ensure its continuing relevance and attractiveness, and to equip members and future members to be prepared for accelerating digital disruption.

ACCA’s response
- Promote and reinforce the attractiveness of the accountancy profession
- Enhance members’ employability and relevance through our professional insights and continuous learning
- Continue to evolve the ACCA Qualification

**Workplace transformation**
Workplace transformation is now accelerating at such a pace it merits a disrupter category of its own. We are seeing employers facing a range of challenges to thrive in a radically changing world. Increasingly they need to demonstrate agility and flexibility in their business models as they respond to unprecedented disruption, transforming their workplaces and embracing digital, hybrid and remote ways of working. Attracting talent to the workplace also points to the need for purpose-led strategies and new ways of working.

ACCA’s response
- Draw on our professional insights to support employers to navigate change
- Support our members to upskill as they continue to demonstrate the value ACCA offers across all sectors
- Invest in market activity to drive ACCAs attractiveness and growth
- Continue to transform ACCA’s operations to take forward the delivery of the strategy to 2025.
ACCA’s response
The strategy to 2025 enabled us to act swiftly and decisively in 2021-22, notably by:

- **Supporting our members’ careers and employability**, giving them access to relevant information and upskilling opportunities so they can contribute to a sustainable global recovery from the pandemic. This included strengthening our community support – particularly for members in SMEs, SMPS and the public sector, expanding our portfolio of continuous learning opportunities through our new ACCA Learning platform, and delivering comprehensive careers support, including through ACCA Careers, ACCA Career Navigator, and our virtual careers fairs across the world.

- **Responding rapidly to geopolitical and Covid-19 related disruption** by placing a strong focus on supporting the ACCA community in Ukraine, as well as in other markets and jurisdictions facing geopolitical tension during the year. We also supported our community to navigate the disruption caused by Covid-19, including putting financial and wellbeing support in place. We also offered 68,000 remotely invigilated exams across 77 countries, enabling many students to continue to progress through the ACCA Qualification despite the disruption in the external environment.

- **Enhancing ACCA’s relevance and attractiveness** by continuing to engage with our global network of partnerships. This included demonstrating our relevance to employers through a range of insights and sector specific activities, widening our engagement with universities and promoting vocational routes into ACCA. In 2021-22 we also engaged with governments and regulators to positively influence policy, particularly in relation to the sustainability agenda and the central role the accountancy profession can play in contributing to a better and fairer world.

- **Continuing to provide future members with the support** they need to confidently enter and pass their exams, with a focus on supporting their wellbeing, ensuring access to quality tuition, developing new professional education support tools, and driving continual improvements across our exams to ensure their ongoing integrity and deliver the best possible exam experience.

- **Continuing to innovate to meet the needs of our community and invest in ACCA’s future** by transforming how we operate to deliver organisational efficiencies, strengthen our flexibility and financial resilience, advancing our approach to data analytics and insights, defining ACCA’s future vision for learning and assessment, and continuing to deliver our digital transformation by unlocking a range of new financial and commercial capabilities.
This performance section focuses on our three areas of critical strategic focus for the year and the five targets agreed with the Council Board in relation to these. We achieved three out of five targets in 2021-22.

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Critical strategic focus measure</th>
<th>2021-22 year-end target</th>
<th>2021-22 year-end result</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>Member retention</td>
<td>97.0%</td>
<td>97.6%</td>
<td>Met</td>
</tr>
<tr>
<td>Lead</td>
<td>Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart</td>
<td>70%</td>
<td>67.5%</td>
<td>Not met</td>
</tr>
<tr>
<td>Lead: Business and society</td>
<td>Financial sustainability: Surplus / (deficit) before tax</td>
<td>+£1.8m</td>
<td>-£0.9m</td>
<td>Not met</td>
</tr>
<tr>
<td>Create</td>
<td>Future member retention</td>
<td>83.8%</td>
<td>86.2%</td>
<td>Met</td>
</tr>
<tr>
<td>Create: Value</td>
<td>Progression: % of students passing an exam in the year</td>
<td>31.6%</td>
<td>31.9%</td>
<td>Met</td>
</tr>
</tbody>
</table>

In addition, we’ve shared below an overview of our performance across our balanced scorecard, highlighting areas of strong performance as well as challenges that have informed our focus for 2022-23.

**Member retention**

**FIVE-YEAR PERFORMANCE**

<table>
<thead>
<tr>
<th>Prior year actuals</th>
<th>Current year actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of members retained</td>
<td>97.4</td>
<td>97.7</td>
</tr>
</tbody>
</table>

For member retention, we ended the year 0.6% ahead of target, having set a target of maintaining 2020-21’s year-end performance of 97.0%.

Looking more broadly at our member numbers, our plan for member growth was 1.7%. We exceeded our planned performance and grew our member numbers from 233,019 to 240,952, reflecting year-on-year growth of 3.4%. This compares favourably to last year when our year-on-year membership growth was 2.5%. Our strong performance was primarily due to stronger than expected member retention, although new member admissions were also 2% ahead of planned performance.
Future member retention

FIVE-YEAR PERFORMANCE

<table>
<thead>
<tr>
<th>Prior year actuals</th>
<th>Current year actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of future members retained</td>
<td>84.7</td>
<td>85.5</td>
</tr>
</tbody>
</table>

For future member retention, we ended the year 2.4% ahead of target, having set a target of maintaining 2020-21 performance of 83.8%.

Looking more broadly at our future member numbers, our plan for future member growth was 0.4%. We exceeded our planned performance and grew our future member numbers from 536,815 to 541,930 future members, reflecting year-on-year growth of 1.0%. This is a welcome return to growth following a contraction of -1.4% last year. This growth has been primarily due to stronger than expected future member retention: student recruitment fell short of our plan for the year, although it was stronger than last year.

Financial performance

FIVE-YEAR PERFORMANCE

<table>
<thead>
<tr>
<th>Surplus/(deficit) before tax</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>£23.3m</td>
</tr>
<tr>
<td>2018-19</td>
<td>£(35.8)m</td>
</tr>
<tr>
<td>2019-20</td>
<td>£(3.3)m*</td>
</tr>
<tr>
<td>2020-21</td>
<td>£12.0m*</td>
</tr>
<tr>
<td>2021-22</td>
<td>£0.9m</td>
</tr>
</tbody>
</table>

* During the year, ACCA changed its accounting policy relating to the capitalisation of intangible assets following the International Financial Reporting Interpretations Committee’s agenda decision on ‘Customer’s Right to Receive Access to the Supplier’s Software Hosted on the Cloud (IAS 38 Intangible Assets) – March 2019’. This change in policy has meant that we have restated the 2020 and 2021 figures for the impact of this change.

Revenue recovered during 2022 as the world began to adapt to Covid-19. ACCA saw growth in both subscription revenue and exam revenue reflecting an increase in confidence of our members and future members across the world. Although revenues increased by £9.5m or 4.5% against the prior year, this modest growth was still behind our original budget estimates, mainly due to exam volumes continuing to be impacted by Covid-19 lockdowns in significant markets. Where centre-based exams could not run as planned, our remote invigilator solution developed during 2021 continued to be successfully utilised to support our future members in the majority of countries.
With the return to planned growth, our operating expenditure increased by £13m, representing a 7.3% increase from the prior year. This increase comes from largely fixed items such as salary inflation, corporate memberships and levies, cost of international operations, and the rise of goods and services tax on intragroup services. Although operating expenditure increased in the year, cost reduction plans were created, and activities and events were reprioritised to achieve savings to mitigate the impacts of lower than planned revenue growth.

Our strategic investment will deliver sustained long-term benefit and support ACCA’s longer term strategic goals. During the year we have continued to invest in our digital ambition, and we successfully deployed the first phase of our finance transformation with customer relationship management and flexible billing and payments solutions now underway.

Our pre-tax deficit of £0.9m was behind our budget of £1.8m surplus. In setting our budget for 2021-22, we set targets based on forecast economic recovery and returning to growth but recognised the uncertainty and risk remaining within the global economy. During the year it became clear that exam disruption due to the Covid-19 pandemic would continue to impact the ability of our future members to undertake exams. As a result, against our budget of £235.5m for revenue, we experienced a £13.9m shortfall, the majority of which was within exams.

Despite this shortfall in revenue, ACCA has been well positioned throughout the pandemic to mobilise the organisation to develop appropriate mitigations. This activity resulted in £15.1m saving in our 2021-22 budget operating expenditure through exam related cost reductions, travel and event costs, digital delivery methods, reduced face-to-face meetings and salary savings.

Due to a change in the recognition of intangible assets, we were unable to capitalise £5.5m as planned in the year. This, coupled with specific choices made to increase strategic investment spend by £1.3m, led to an increase of £6.8m against our budget. These decisions were made in a holistic way, looking beyond in-year performance at the longer-term benefits these decisions would bring.

The financial markets suffered significant volatility in the last quarter of the year, initially reacting to global inflation and then the invasion of Ukraine resulting in a £1.9m shortfall predominantly due to the net impact of our financial investments. Contingency that was held aside for the year was no longer required and released.

ACCA’s Council Board has a long-term target to build the accumulated fund to 60 days of operating expenditure. At March 2022, the Accumulated Fund represented 62 days of operating days expenditure and reflects the small deficit for the year and the actuarial gains from our pension scheme.

The Council Board also monitors balance sheet liquidity and has agreed that it will maintain a level of liquid reserves to cover ACCA’s exposure to corporate risks that would result in a consequential loss to ACCA, which could reduce overall financial strength and create a risk that ACCA was unable to settle liabilities as they fall due. Liquid reserves are defined as the total of cash, liquid short-term and long-term investments, less any short-term borrowing. ACCA also has access to a £25m revolving credit facility supported by the UK government’s CLBIL scheme but hasn’t needed to draw down on this facility during 2021-22.

At March 2022, our liquid investments including short-term cash funds were £149.5m and our cash balances were £34.3m.

More detailed financial information is available in our consolidated financial statements.
FIVE-YEAR PERFORMANCE

Performance across our balanced scorecard in 2021-22

Although we chose to focus on defined critical strategic focus areas in 2021-22, we’ve continued to set and monitor performance across our entire balanced scorecard throughout the year to inform our future plans and performance targets.

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Measure</th>
<th>Planned performance for 2021-22</th>
<th>Year-end result for 2021-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vision</td>
<td>Number of members</td>
<td>236,900</td>
<td>240,952</td>
</tr>
<tr>
<td>Lead Brand trust (all four elements to be met)</td>
<td>Innovation: % agree that ACCA shapes the accountancy profession</td>
<td>80%</td>
<td>83.9%</td>
</tr>
<tr>
<td></td>
<td>Integrity: % agree that ACCA promotes the highest professional and ethical standards</td>
<td>80%</td>
<td>87.9%</td>
</tr>
<tr>
<td></td>
<td>Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart</td>
<td>70%</td>
<td>67.5%</td>
</tr>
<tr>
<td>Market share</td>
<td>21.2%</td>
<td>21.7%</td>
<td></td>
</tr>
<tr>
<td>Business and society</td>
<td>Financial sustainability: Surplus / (deficit) before tax</td>
<td>£1.8m surplus before tax</td>
<td>£0.9m deficit before tax</td>
</tr>
<tr>
<td>Community</td>
<td>Net promoter score (NPS)</td>
<td>+33.0</td>
<td>+31.6</td>
</tr>
<tr>
<td>Create</td>
<td>Number of future members</td>
<td>539,000</td>
<td>541,930</td>
</tr>
<tr>
<td>Knowledge</td>
<td>% agree that ACCA understands my needs as a member / future member</td>
<td>63%</td>
<td>62%</td>
</tr>
<tr>
<td>Value Progression (all three elements to be met)</td>
<td>Number of exam entries</td>
<td>761,600</td>
<td>624,170</td>
</tr>
<tr>
<td></td>
<td>% of students passing an exam in the year</td>
<td>31.6%</td>
<td>31.9%</td>
</tr>
<tr>
<td></td>
<td>% of affiliates achieving membership within four years</td>
<td>66.1%</td>
<td>66.8%</td>
</tr>
</tbody>
</table>

Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart

<table>
<thead>
<tr>
<th>Prior year actual</th>
<th>Current year actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020-21</td>
<td>2021-22</td>
<td>2021-22</td>
</tr>
<tr>
<td>% agree that ACCA acts with members’ and future members’ best interests at heart</td>
<td>67.4%</td>
<td>67.5%</td>
</tr>
</tbody>
</table>

Our critical strategic focus for 2021-22 focused on a key question in our monthly relationship survey – the percentage of members and future members who agree that ACCA acts with their best interests at heart. Through the relationship survey we collect data each month from one-twelfth of our members and future members. This allows us to see long-term trends more clearly. Reporting is based on 12 months of rolling data, providing the moving annual total. As this new sampling method was introduced in 2020-21, we can only provide a comparison with the prior year, rather than a five-year historic chart.

Our combined ‘best interests’ result was 67.5%, ending the year 2.5% below the target of 70%. This represents an overall increase of 0.1% since the previous year. To break this down by stakeholder group:

- member perceptions are the highest at 71.4%, although this represents a decrease of 0.9% on last year’s result
- affiliate perceptions are the lowest at 59.3%; however, we saw a notable upward trajectory over the course of the year, and an increase of 2.7% on last year
- student perceptions are at 64%, representing an increase of 0.9% on last year

While we did not meet the end-of-year target, it is encouraging to note the member result remains above the 70% target level and that, overall, we’ve held perceptions steady against a global environment of continuing disruption and challenge for the ACCA community.

Progression: % of students passing an exam in the year

<table>
<thead>
<tr>
<th>Prior year actuals</th>
<th>Current year actual</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% students passing an exam in the year</td>
<td>36.9%</td>
<td>36.8%</td>
</tr>
</tbody>
</table>

ACCA has three progression measures, but in 2021-22 we placed a special focus in students passing an exam in the year to measure our progress against our critical strategic focus. Despite continuing Covid-19 related disruption throughout the year, impacting students’ ability to study for and enter exams, we ended the year with 31.9% of students having passed an exam in the year. This exceeded our target of 31.6% and compares favourably to the prior year, where we saw 29.3% of students passing an exam.
**Strong perceptions about ACCA’s innovation and integrity**

Members’ future members’ perceptions of ACCAs role in shaping the accountancy profession and promoting the highest professional and ethical standards remain very high, with perceptions for every stakeholder group – members, affiliates, and students – above 80%. As these are two of our three defining values and so central to our brand, strong scores here are particularly pleasing.

**An overview of perceptions by stakeholder group**

- **Employers:** this year, employer NPS increased by +1.3 to +52.6, a strong result that indicates employers continue to see the ACCA as relevant and attractive. This provides a strong foundation for the delivery of our strategic priorities in 2022-23.

- **Students:** perception metrics have risen slightly on last year, which is encouraging as it indicates the focus we’ve placed on supporting students to enter and pass the exams, and have a good exam experience, is having a positive effect.

- **Members:** member perceptions were above planned performance for four out of five perception measures and were consistently higher than affiliate and student perceptions. As one example, member NPS was +38.1 against overall planned performance of +33.0. We have, however, seen small declines this year in some areas we worked on, which we plan to address as we continue to deliver member value in 2022-23.

- **Affiliates:** perceptions have been rising steadily across the last two years. Our year end results, however, indicate that this may be starting to slow down, and affiliate NPS dropped by -3.1. We plan to address this through our engagement plans and wider support for affiliates in 2022-23.

- **Students:** perception metrics have risen slightly on last year, which is encouraging as it indicates the focus we’ve placed on supporting students to enter and pass the exams, and have a good exam experience, is having a positive effect.

**Progression**

In relation to affiliate to member conversion within four years, we ended the year at 66.8%. While this result was lower than the prior year’s 67.5%, it was nonetheless ahead of our planned 66.1%. Our most significant performance challenge in 2021-22 related to exam entry. Despite our intensive work on offering new ways for students to continue their exam journey, we ended the year 137,430 entries behind our original plan – although we exceeded the prior year’s performance by 28,745. Our shortfall in exam entries can be primarily attributed to the continuing Covid-19 related disruption experienced throughout the year, which particularly impacted mainland China, although it should also be noted that mainland China remains ACCA’s largest source of exam entries.

**Member market share**

Our market share – which we measure in relation to the member numbers of our key international competitors – is now 21.7%, outperforming our expectation of 21.2% and rising by 0.6% on the prior year. This result means we have now met our original ambitions for member market share in 2025 – and so we will raise our ambitions in this space. Our member growth rate, at 3.4% in 2021-22, is the highest among those bodies we measure our market share against, demonstrating ACCA’s continuing strong performance in a volatile and challenging global environment.

**Sharing knowledge to help SMEs survive and grow:** SMEs represent some 90% of businesses and 50% of employment worldwide, and small and medium sized accountancy practitioners (SMPs) have always supported them as trusted advisers. In 2021 ACCA created The Practice Room, a virtual space for SMPs around the world to connect and share ideas and knowledge. There’s also a global LinkedIn group and a Practice Connect hub that holds useful resources and case studies.

More than 45 sessions have now been hosted, attracting practitioners from 85 countries. One of the hosts, Anastasia Chalkidou FCCA, co-founder of Quantum BITS in Greece, says: ‘We can help each other identify new sectors, new markets, make new contacts and grow our networks – and ultimately contribute to the sustainable growth of small businesses in all our economies.’

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**Championing the role of accountants on the sustainability agenda:** Through our Think Small First report with Sage and the International Chamber of Commerce, we’ve highlighted how providing standardized SME-friendly reporting frameworks could unlock significant progress on the race to net zero.

We’ve joined the working group led by Pakistan Institute of Corporate Governance to mainstream ESG practices in Pakistan.

We’ve input into the Irish Sustainable Development plan, highlighting the absence of targets and plans for SMEs and proposing an increased focus for this important sector.
Stakeholder engagement
ACCA relies on a wide network of stakeholders, recognising that success and sustainability depends on their input and involvement. In this section of the report, we outline how this engagement works and the value we create as a result of it. Where sample sizes from our materiality survey have allowed, we have also listed the material issues that each group ranked as most important. A full list of material issues and related commentary is in the next section of this report.

<table>
<thead>
<tr>
<th>How we engage</th>
<th>What’s of material importance?</th>
<th>How we create value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Members</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>We have a network of member panels across the world which bring members together and allow them to feed into ACCA’s strategy, both independently and through ACCA’s International Assembly. Our Council, which is our overarching governance body, is composed entirely of elected ACCA members. We engage and inform members through regular communications, including our monthly relationship surveys, monthly Accounting and Business magazine, email campaigns, social media and quarterly seminars delivered by Council members, and we connect members to opportunities through our global ACCA Careers online jobs portal.</td>
<td>Members: 1. Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good 2. Maintaining the rigour and integrity of the ACCA Qualification 3. Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body</td>
<td>We support members’ career success by using our global voice to build the forward-thinking and ethical reputation of ACCA. Our cutting-edge insights and continuous learning keep them ahead, and our global community opens doors to new opportunities, including connections with fellow professionals, employers and forward-thinkers.</td>
</tr>
<tr>
<td><strong>Future Members (affiliates and students)</strong></td>
<td>Students: 1. Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good 2. Offering access to a quality finance and accountancy education that is free from artificial barriers 3. Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body</td>
<td></td>
</tr>
<tr>
<td>We engage with future members through our Student Accountant ezine, the ACCA Learning Community, free webinars, and digital support. Every month we survey a twelfth of our students through our monthly relationship surveys, reaching all students across the year. We also engage with students, in particular through our close working relationships with learning providers. All of this has helped us develop significant additional digital support and study resources.</td>
<td>Affiliates: 1. Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body 2. Maintaining the rigour and integrity of the ACCA Qualification 3. Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good</td>
<td>We open doors to an exciting range of career opportunities through in-demand qualifications that give our future members a competitive edge. We help them succeed by connecting them to each other and to our wider global community that includes influential and supportive employers, educators, mentors, members, and forward-thinkers.</td>
</tr>
</tbody>
</table>

ACCA | Integrated annual report 2022 | Stakeholder engagement and materiality 24
<table>
<thead>
<tr>
<th>Stakeholder Group</th>
<th>How we engage</th>
<th>What’s of material importance?</th>
<th>How we create value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employers</strong></td>
<td>Dedicated employees around the world manage our relationships with employers and ensure that there is two-way dialogue between ACCA and the employers we serve. We also survey key employers globally every year on their satisfaction with, and perceptions of, ACCA, and act on these findings.</td>
<td>We partner with organisations, helping them access and grow the finance talent they need to succeed through our trusted, forward-looking qualifications and continuous learning. Our cutting-edge business and technical insights keep them ahead, and our global community opens doors to new opportunities, including connections with ACCA professionals, new talent, potential partners, and forward-thinkers.</td>
<td></td>
</tr>
<tr>
<td><strong>Educators</strong></td>
<td>Dedicated employees around the world manage our relationships with learning providers and ensure that there is two-way dialogue. We also hold regular global and regional conferences for ACCA education providers, and survey them at least annually on their perceptions of ACCA’s brand and the service and support we provide for them. Following our programme of ACCA Qualification change, we have worked more closely than ever with our learning providers through an active programme of support – including global training for ACCA tutors across the world – and closer collaboration on business initiatives. We also have a dedicated support section for learning providers on our website.</td>
<td>We enhance business opportunities for educators through our in-demand qualifications. We help them succeed, encouraging and recognising quality, and co-create innovative solutions with them for today and tomorrow. We open doors to new opportunities through our community, including connections with employers, future members, forward-thinkers, and other educators.</td>
<td></td>
</tr>
<tr>
<td><strong>Governments and regulators</strong></td>
<td>We approach relationship management within ACCA at a national, regional, or global level.</td>
<td>We openly share our expertise, bringing a global perspective to national challenges to assist governments and regulators in developing policies that build strong, thriving societies. Our relevant qualifications develop future-ready people with the capabilities vital to economic growth. We help them prepare for the future by connecting them to our technical and policy insights, and community of policy makers, business leaders and forward thinkers.</td>
<td></td>
</tr>
<tr>
<td><strong>International Organisations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>The public</strong></td>
<td>We carry out outreach through media and ACCAs public communication channels, including our website and our social media accounts.</td>
<td>Not consulted in this exercise</td>
<td></td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>All key suppliers have dedicated relationship management at a team, directorate, market office or global level, depending on the scope and nature of the supplier arrangement.</td>
<td>Not consulted in this exercise</td>
<td></td>
</tr>
</tbody>
</table>

**Employees**

We run an extensive programme of internal engagement and support, including skills and culture training, wellbeing support and other development. We have developed a range of services and support for our global employee community, including a social intranet, digital collaboration tools and more formal forms of sharing, an annual global virtual conference, town halls twice a year with the chief executive and executive directors, and a monthly briefing from the chief executive.

Employee engagement and satisfaction is measured through twice-yearly global surveys, as well as shorter snapshot surveys of sentiment.

**Employees:**

1. Maintaining the rigour and integrity of the ACCA Qualification
2. Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good
3. Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body
4. Promoting the value of the accountancy profession in driving sustainable business and economies, driving demand for ACCA members and future members

We offer the opportunity to be part of a dynamic organisation that makes a difference to societies around the world. We nurture forward-thinkers who live our values and embrace the diverse perspectives of our global community, working together to create exciting solutions. We invest in our people, helping them grow, and reward them for their role in delivering our vision.

**International Organisations**

We have a dedicated central team which is focused on ACCAs contribution to the development of the global accountancy and finance profession, through capacity building, best-practice sharing and building partnerships with national, regional, and global bodies.

International organisations:

- We engaged with international organisations for this exercise, but there are fewer respondents from this group, so results are not statistically robust and not included here.

**The public**

We carry out outreach through media and ACCAs public communication channels, including our website and our social media accounts.

Not consulted in this exercise

**Suppliers**

All key suppliers have dedicated relationship management at a team, directorate, market office or global level, depending on the scope and nature of the supplier arrangement.

Not consulted in this exercise

**The public**

We carry out outreach through media and ACCAs public communication channels, including our website and our social media accounts.

Not consulted in this exercise

ACCA trained people support individuals, businesses, and organisations in making good decisions and doing the right thing. We build public trust by creating an inclusive profession with people from all backgrounds, bound by a code of ethics and committed to updating their skills to meet ever-changing needs.

**Suppliers**

All key suppliers have dedicated relationship management at a team, directorate, market office or global level, depending on the scope and nature of the supplier arrangement.

Not consulted in this exercise

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

Each year we survey members, future members, learning partners, employers, national body and government partners to provide a wide view from our ACCA community and understand how important each of our material issues is to them. ACCA’s leadership group also took part to give an employee perspective.

This year, we revised and expanded our set of material issues to ensure closer alignment with the outcomes set out in the strategy to 2025 and our approach to sustainability. Because of this, we have not provided comparative results for previous years.

The complete ranking is below. We asked survey participants to rate each of our material issues on a scale of 1 to 7, with 1 being not at all important and 7 being extremely important. We combined the scores of 6 and 7 (very or extremely important) to better understand the issues our stakeholders see as the most important for ACCA to address. The ranking numbers reflect the issues that have the highest scores through this method.

<table>
<thead>
<tr>
<th>Overall 2022 ranking (internal and external)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good</td>
</tr>
<tr>
<td>2</td>
<td>Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body</td>
</tr>
<tr>
<td>2</td>
<td>Maintaining the rigour and integrity of the ACCA Qualification</td>
</tr>
<tr>
<td>4</td>
<td>Offering access to a quality finance and accountancy education that is free from artificial barriers</td>
</tr>
<tr>
<td>5</td>
<td>Innovating and enhancing the ACCA Qualification to ensure its ongoing attractiveness and relevance</td>
</tr>
<tr>
<td>6</td>
<td>Using our unique knowledge to innovate, developing forward-thinking solutions to keep ACCA and the profession relevant</td>
</tr>
<tr>
<td>7</td>
<td>Supporting our members, affiliates, students and continuous learners to enjoy dynamic and flexible careers</td>
</tr>
<tr>
<td>8</td>
<td>Deploying ACCA resources in the most efficient and effective ways to create long-term value and ensure a successful and sustainable future for ACCA</td>
</tr>
<tr>
<td>9</td>
<td>Ensuring our students and affiliates are informed, motivated and supported to successfully progress to ACCA membership</td>
</tr>
<tr>
<td>10</td>
<td>Promoting the value of the accountancy profession in driving sustainable business and economies, driving demand for ACCA members and future members</td>
</tr>
<tr>
<td>11</td>
<td>Supporting our students to confidently enter and pass exams</td>
</tr>
<tr>
<td>12</td>
<td>Identifying emerging issues and opportunities for the profession through our professional insights</td>
</tr>
<tr>
<td>12</td>
<td>Ensuring ACCA’s employees and teams are adaptable, ready to embrace new thinking and technology to create and deliver solutions at speed</td>
</tr>
<tr>
<td>14</td>
<td>Ensuring ACCA has strong governance structures in place to provide oversight and appropriate challenge in relation to strategic decision making</td>
</tr>
<tr>
<td>15</td>
<td>Building the digital capabilities and infrastructure to offer a globally consistent, relevant and increasingly personalised customer experience for our stakeholders</td>
</tr>
<tr>
<td>16</td>
<td>Influencing government, policy makers and regulators to draw on our global perspective to develop the profession</td>
</tr>
<tr>
<td>17</td>
<td>Providing every part of our community with access to the knowledge they need to succeed in a changing world</td>
</tr>
<tr>
<td>18</td>
<td>Supporting employers to build the capability of their teams, embedding ethics and professionalism across global business</td>
</tr>
<tr>
<td>19</td>
<td>Enabling ACCA’s community to come together to share ideas, move the profession forward and deliver change for public good</td>
</tr>
<tr>
<td>20</td>
<td>Identifying opportunities to grow in new markets and sectors</td>
</tr>
<tr>
<td>21</td>
<td>Working with our partners to expand access to quality tuition</td>
</tr>
<tr>
<td>22</td>
<td>Building our data and analytics capabilities to foster a deep understanding of our stakeholders’ needs and enable better, faster decision-making</td>
</tr>
<tr>
<td>23</td>
<td>Continuing to build ACCA’s network of partners to deliver new value to our stakeholders</td>
</tr>
<tr>
<td>24</td>
<td>Delivering ACCA’s commitments to the UN SDGs, including achieving carbon net zero and empowering the ACCA community to drive sustainable business</td>
</tr>
</tbody>
</table>
Issues closest to the centre of the diagram are highest rated for each group of respondents.

ACCA's external and internal rankings are broadly aligned, with the same top three material issues featuring across both groups. The greatest difference between the groups relates to “promoting the value of the accountancy profession in driving sustainable business and economies”, which was ranked joint second internally, but tenth externally.

A closer look at the top five material issues

The following table links each of the top five material issues to the relevant strategic outcomes in the strategy to 2025, our UN SDG commitments, and our corporate risks. The commentary sets out at a high level the activities we’ll undertake in relation to each material issue in the year ahead, in line with our strategic priorities. Each linked risk also has its own set of key mitigating activities, which are shared in the next section of this report.

<table>
<thead>
<tr>
<th>Material issue</th>
<th>Strategic outcome</th>
<th>Link to UN SDG commitment</th>
<th>Link to corporate risk</th>
<th>Commentary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensuring our members are recognised as ethical, strategic professionals who drive trust in business for public good</td>
<td>Lead</td>
<td>Relevance and attractiveness of the accountancy profession</td>
<td></td>
<td>ACCA's ability to build a trusted, inclusive global profession depends on the value we can create through our community, which has ethical, strategic ACCA members at its heart. In 2022-23 we’ll continue to promote high standards of ethics, professionalism and integrity through our regulatory activity, maximise the career and learning support we offer members, and reinforce the role ACCA members play in driving sustainable businesses and economies through three brand themes under the central narrative Accounting for a better world.</td>
</tr>
<tr>
<td>Protecting our licence to operate and our recognition as a statutory regulatory and qualifying body</td>
<td>Lead</td>
<td>Ability to operate within markets is restricted</td>
<td>Failure to comply with existing, changing or new regulatory or legislative requirements</td>
<td>Our licence to operate and our recognition are vital to ACCA’s continuing ability to progress its purpose. In 2022-23 we will continue to promote high standards of ethics, professionalism and integrity through our regulatory activity, work in partnership to build an inclusive global profession, and seek to influence the debate on the future of audit and corporate reporting. And in China, we’ll progress our NGO status.</td>
</tr>
<tr>
<td>Maintaining the rigour and integrity of the ACCA Qualification</td>
<td>Create</td>
<td>Failure to comply with educational regulators’ requirements</td>
<td></td>
<td>ACCA’s continuing ability to offer a world-class qualification is fundamental to our ability to develop a thriving membership that supports global economic growth. In 2022-23 we will continue to promote high standards of ethics, professionalism and integrity through our regulatory activity and drive continuous improvement across our exams to ensure their integrity.</td>
</tr>
<tr>
<td>Offering access to a quality finance and accountancy education that is free from artificial barriers</td>
<td>Lead</td>
<td>Relevance and attractiveness of the accountancy profession</td>
<td></td>
<td>We enable access to finance and accountancy education through different qualification pathways and ensure quality learning support is in place to meet the needs our future members. In 2022-23 we will keep ensuring we recruit students who are informed, motivated and supported. We will nurture and motivate our students, strengthen relationships with education partners to expand access to quality tuition, and encourage peer-to-peer engagement and support through the ACCA Learning community, events and social media.</td>
</tr>
<tr>
<td>Innovating and enhancing the ACCA Qualification to ensure its ongoing attractiveness and relevance</td>
<td>Create</td>
<td>Relevance and attractiveness of the accountancy profession</td>
<td></td>
<td>In recent years we have delivered major innovations to the ACCA Qualification, which has enabled ACCA to remain a leader in the global profession and also keep developing a thriving membership that supports global economic growth. In 2022-23, we will continue to invest in our vision for the future of learning and assessment, innovating and enhancing the ACCA Qualification and continuing to embed green finance in our qualifications and learning products to improve capability across the profession for climate change.</td>
</tr>
</tbody>
</table>
Risk management plays an integral part in helping ensure that ACCA achieves its strategic vision to be #1 in developing the accountancy profession the world needs.

We consider risk across three broad types:
- risks to the accountancy profession and the value that accountancy brings to society
- risks to (the needs of) members and future members
- risks that, if left to crystallise, could impact on our ability to deliver our corporate plans, strategy and our long-term sustainability.

The overall objective of our enterprise risk management (ERM) approach is to help link strategy and risks as clearly as possible so that our decision-making is transparent, both internally and externally, and based on robust evidence.

At ACCA we use Protecht ERM risk software to provide a holistic view of organisation-wide risks and opportunities in one central repository. This process is supported by internal subject matter experts and contributions from wider stakeholders across the business, while we continue to monitor changes in our wider environment that could impact our strategy.

Nine risks are currently held on our corporate level risk register (reduced from eleven for the year ended 31 March 2021). These are principal risks that are intrinsic to the achievement of our strategy and operations.

In 2021-22, two risks (associated with the United Kingdom’s exit from the EU, and with ACCA’s distribution network unable to support changes to ACCA’s business model) were downgraded for ongoing management at the market level. Our strategic risks are frequently reviewed and reflective of changes that have occurred in our internal and external environment: we undertake a combination of qualitative and quantitative risk reviews to ensure proper evaluation and management of our principal risks.

Ownership and oversight

Our corporate risk register records the top cross-cutting risks and uncertainties that we believe ACCA faces. These risks, should they crystallise, have been judged to pose a significant threat to the successful delivery of our strategy and to ACCA’s longer-term sustainability.

Each corporate-level risk is owned by a member of the Executive team, with the entire team reviewing all corporate-level risks every month to reflect any market, legislative and/or operational developments, adjusting mitigation and threat levels accordingly. ACCA’s central risk team also supports a bottom-up risk management process to ensure that all underlying risks that contribute to strategic risks are well managed by risk owners across the organisation.

Our Audit Committee, comprised of Council members, exercises independent oversight of ACCA’s risk management process, providing assurance to ACCA’s Council, via the Council Board, on the effectiveness of our risk management approach.

Risk appetite statement

ACCA has an overarching risk appetite statement, supported by sub-statements setting out our risk appetite across a range of distinct and specific areas. In 2021-22, we updated our sub-statements, including the introduction of a new statement reflecting our commitment to sustainability as we deliver the strategy to 2025.

In 2022-23, we will further embed the risks involved in our approach to sustainability and our transition to carbon net zero, including climate risk, into existing risks to the delivery of the strategy to 2025 and ensure they feature further in directorate and team level risk registers.

Overarching risk appetite statement

In achieving our vision of being #1 in developing the accountancy profession the world needs, we seek opportunities to operate in every country where we believe we can positively contribute to the accountancy profession and create public value. We have an open appetite for taking well-managed risk where innovation and transformation can create change for public good, build long-term value, and create opportunities for clear improvements in our ability to achieve our vision and strategy. Trust and integrity sit at the heart of our ambition. To this end, we hold a risk-averse appetite to risks that call into question the ethics of the profession, the value accountancy creates, or establishes doubt about our own ethics as an organisation.
Corporate risks and uncertainties

<table>
<thead>
<tr>
<th>Risk</th>
<th>Key mitigations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inability to accurately forecast income and costs</td>
<td>Monthly review of variances in key income streams</td>
</tr>
<tr>
<td></td>
<td>Quarterly forecasting of financial performance to give early warnings of shortfalls</td>
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<tr>
<td></td>
<td>Ongoing financial scenario development based on latest information</td>
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<tr>
<td></td>
<td>Key costs forecasted on driver-based modelling</td>
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<tr>
<td></td>
<td>Exam Forecasting Forum reviews exam volume forecasts in consideration of capacity</td>
</tr>
<tr>
<td>Supporting our students in exam progression and ensuring that affiliates accomplish their journey to full membership</td>
<td>Supporting capability building of learning partners and tutors to adapt to qualification changes and address market-specific challenges</td>
</tr>
<tr>
<td></td>
<td>Strategic partner approach with key Approved Learning Partners</td>
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<tr>
<td></td>
<td>Monitoring of future member progression rates</td>
</tr>
<tr>
<td></td>
<td>Partner support – train the trainer</td>
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<tr>
<td></td>
<td>Enhanced resource offering to improve employability</td>
</tr>
<tr>
<td>Failures in our end-to-end exam processes</td>
<td>Robust end-to-end processes and controls</td>
</tr>
<tr>
<td></td>
<td>Contracts with strategic suppliers to ensure process deliveries within required performance measure and governance framework</td>
</tr>
<tr>
<td></td>
<td>Exam Contingency Group monitors and addresses potential and actual disruption to exams</td>
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<tr>
<td></td>
<td>Contingency plans in place and reviewed each exam session</td>
</tr>
<tr>
<td></td>
<td>Exams compensation and insurance policies in place</td>
</tr>
<tr>
<td>Ability to operate across markets is restricted</td>
<td>Monthly monitoring and escalation of recognition risks</td>
</tr>
<tr>
<td></td>
<td>Leveraging existing forms of recognition and partnerships across our markets, including those with national bodies, regulators and relevant ministerial authorities</td>
</tr>
<tr>
<td></td>
<td>Cross-functional support, expertise and collaboration to strengthen the profession, develop and deliver partnerships, and market recognition initiatives for enhancement of global recognition portfolio</td>
</tr>
<tr>
<td>Failure to comply with existing, changing or new regulatory or legislative requirements</td>
<td>Internal/external audit process in place to address compliance</td>
</tr>
<tr>
<td></td>
<td>In-country legal advisers identify changing and new legislation</td>
</tr>
<tr>
<td></td>
<td>Subject matter experts across ACCA provide expert compliance advice</td>
</tr>
<tr>
<td></td>
<td>Global compliance policies in place</td>
</tr>
<tr>
<td>Loss of data or sensitive information</td>
<td>Regular reviews against ACCA’s industry-standard controls framework to measure IT security status and maturity improvements, and ensure that targeted activities provide value to ACCA’s overall cyber security posture</td>
</tr>
<tr>
<td></td>
<td>Cyber Security Team contributes to compliance and regulatory governance forums to ensure understanding of compliance position and requirements on ACCA</td>
</tr>
<tr>
<td>Failure to comply with educational regulators’ requirements</td>
<td>Quarterly review to confirm compliance with Ofqual conditions</td>
</tr>
<tr>
<td></td>
<td>Customer Service Regulatory Compliance Group established</td>
</tr>
<tr>
<td></td>
<td>Annual review and statement of compliance with Ofqual and SQA conditions</td>
</tr>
<tr>
<td></td>
<td>Continual improvement of production and delivery systems and/or processes to detect and prevent error</td>
</tr>
<tr>
<td>Digital transformation</td>
<td>Rolling external assurance plan in place for each reporting year focused on benefits realisation, change management approach, areas of potential risk of scope creep</td>
</tr>
<tr>
<td></td>
<td>Monthly financial review meetings</td>
</tr>
<tr>
<td></td>
<td>Quarterly benefits review</td>
</tr>
<tr>
<td></td>
<td>Benefits tracked and incorporated into five-year plan and reviewed every six months</td>
</tr>
<tr>
<td></td>
<td>Digital Maturity Model to support realisation of benefits to both internal and external stakeholders</td>
</tr>
<tr>
<td>Relevance and attractiveness of the accountancy profession</td>
<td>Developing a consistent, compelling message around why accountancy presents a strong and viable career</td>
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<td></td>
<td>Review of member value proposition</td>
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<tr>
<td></td>
<td>Demonstration of our sustainability credentials</td>
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<td></td>
<td>Enhanced segmentation of, and research into, prospect groups to better define outreach</td>
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</table>

Driving positive action across the profession: ACCA’s 2021 professional insights report, *Climate action and the accountancy profession: building a sustainable future*, analysed the views of 3,000 finance professionals in the public and private sectors. Our research revealed a chasm between organisations’ good intentions and actions taken, highlighting a clear opportunity for the profession. We included a series of specific steps that individual accountants can take inside their businesses to drive change.

‘Representing finance and treasury on Tesco’s journey to set science based climate targets, I have since run our Renewable Energy Steering Committee and negotiated offsite renewable energy deals resulting in the build of nine new wind and solar farms in the UK.’ – Alexander Ashby FCCA, head of treasury markets, Tesco plc.

During 2021-22, ACCA also curated and developed a wide range of resources on climate change, climate risk and green and sustainable finance, sharing these with members and the general public through the ACCA Sustainability Hub and encouraging action through our Take a Step campaign.
Our governance and leadership is formed of our Council, our Council Board and our Executive team. Working together, they are responsible for developing and leading on the execution of ACCA’s strategic vision, on behalf of our members.

**ACCA’S GOVERNANCE MODEL**

**MEMBERS IN GENERAL MEETING**
- **Role:**
  - Represent the interests of members
  - Approve five-year strategy
  - Approve the constitutional framework
  - Elect officer team
  - Elect members of the Nominating and Governance Committee
  - Appoint Council Board, Regulatory Board, Audit Committee and Remuneration Committee
- **Membership:**
  - 42 elected members
  - Up to four members appointed from the wider ACCA membership

**COUNCIL**
- **Role:**
  - Oversight of Executive team delivery of performance in delivering the strategic outcomes
- **Membership:**
  - President (chair)
  - Deputy president
  - Vice president
  - Three Council members
  - Two independent non-executive director type appointees
  - Chief executive (ex officio)

**COUNCIL BOARD**
- **Role:**
  - Oversight of Executive team delivery of performance in delivering the strategic outcomes
- **Membership:**
  - President (chair)
  - Deputy president
  - Vice president
  - Immediate past president
  - Three members elected by Council (from among those who have served on Council for at least two years)
  - One independent non-executive director type appointee

**REGULATORY BOARD**

**EXECUTIVE TEAM**
- Governance remit
- Operational remit

**AUDIT COMMITTEE**

**RENUMERATION COMMITTEE**

**NOMINATING AND GOVERNANCE COMMITTEE**
These innovations are designed to strengthen oversight and increase organisational agility, specifically by:

- ensuring members’ interests continue to be well represented across ACCA’s governance structures, with ACCA members remaining central in setting strategic direction and having oversight of the organisation
- strengthening Council’s oversight in supporting and holding the Executive team to account for delivery of the strategy
- future-proofing our governance by giving us the ability to grow and flex our arrangements as ACCA evolves
- providing the agility to enable us to better respond to emerging opportunities and threats
- enhancing the level of member engagement by Council members as required of a membership organisation of ACCA’s size and scale.

Reforms in 2021-22
In November 2021, we continued the implementation of these reforms, which will increase the size of Council over three years from 36 to 45 members, equally phased as three additional seats per year. To ensure geographical diversity of representation, we have implemented a mechanism of ‘caps and collars’, with:

- a cap of equal to or no more than 50% of Council members coming from the same region
- a collar of at least one Council member from each ACCA region.

Election by the global membership remains the primary process for populating Council, with full transparency on the caps and collars in place as the mechanism for reserved places. Should the cap be triggered following a Council election, the election results would be used to take the lowest ‘successful’ candidate from that region and replace with the next highest ‘unsuccessful’ candidate not from that region. Should the collar be triggered, this is filled through the co-option route, via recommendation from the Nominating and Governance Committee to Council.

The three additional places on Council created in 2021 were all filled through election, with the cap or collar mechanisms not being triggered.

Council – responsibilities and composition
To fulfil its role as outlined, Council’s main responsibilities are to:

- ensure that ACCA operates in the public interest and delivers the objectives stated in its Royal Charter
- set the overall direction of ACCA through its contribution to the design of strategy with the Executive team and its overall approval of ACCA’s strategy
- elect a president, deputy president and vice president to function as the leadership of ACCA’s membership
- act as ambassadors for ACCA and engage with ACCA members
- explain and promote ACCA’s strategic direction
- appoint a Council Board to ensure that effective governance structures are in place, which are aligned to the delivery of strategy and provide appropriate challenge to, and oversight of, the Executive team’s plans for the implementation of strategy, including the achievement of targets for performance and outcomes
- provide assurance to members at large as to sound financial and general management through an Audit Committee reporting to the Council Board (although the appointment of external auditors is reserved for the Annual General Meeting).

Profiles of all Council members can be found at accaglobal.com/gb/en/member/council-elections/todays-council/meet-your-council.html

Council 2021-22

<table>
<thead>
<tr>
<th>Female</th>
<th>Male</th>
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<tbody>
<tr>
<td>60%</td>
<td>40%</td>
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Council demographics

<table>
<thead>
<tr>
<th>Council – gender</th>
<th>60%</th>
<th>40%</th>
</tr>
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<tbody>
<tr>
<td>Female</td>
<td></td>
<td></td>
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<tr>
<td>Male</td>
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<tr>
<th>Council – region</th>
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<tbody>
<tr>
<td>ASEAN and ANZ</td>
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<tr>
<td>China</td>
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<tr>
<td>Emerging markets</td>
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<td>Middle East and South Asia</td>
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<td>Africa</td>
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<td>Europe and Americas</td>
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<th>Council – sector</th>
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<tbody>
<tr>
<td>Africa</td>
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<tr>
<td>Europe and Americas</td>
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<tr>
<td>Financial services</td>
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<tr>
<td>Public sector</td>
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<tr>
<td>Corporate</td>
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<tr>
<td>Practice</td>
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</tbody>
</table>

Council held four meetings during the reporting year.

In memoriam: Joyce Evans
Joyce Evans was a passionate and committed member of ACCA, joining Council in 2017 and also serving on ACCA’s Remuneration and Governance Design Committees. Joyce was a trailblazer in advancing the role of women in business. Joyce never forgot her own journey and was always there to share and support the next generation.

In addition to her contribution to ACCA’s Council, Joyce also contributed to the accountancy profession in Canada, where she emigrated to having been born in the UK, and in Sri Lanka, where she joined six missions to support the restoration of local government operations following the 2004 tsunami.

We offer our condolences to those who knew and worked with Joyce.
To fulfil its role as outlined, the Council Board’s chief responsibilities are to:

- oversee the Executive team’s performance in delivering the five-year strategic outcomes set by Council
- oversee resource utilisation throughout the organisation
- approve annual targets (tracking performance against strategic outcomes)
- approve enabling strategies to deliver Council’s five-year strategy
- be accountable, and report, to Council regarding performance in delivering the five-year strategy
- oversee the work of the Audit and Remuneration Committees.

There are nine places on the Council Board, comprising the president (chair of the Board), deputy president, vice president, three Council members nominated by Council, two appointed independent board members and the chief executive (ex officio).

**Chair (president)**

Orla Collins FCCA

Orla is deputy managing director at abrdn, Ireland. Before joining abrdn, she held a number of senior roles within the financial services industry including at Standard Life, Bank of Ireland and Pioneer Investments.

Orla is a qualified financial advisor and a member of the Institute of Bankers and a licentiate of the Association of Compliance Officers of Ireland. She’s part of our ACCA Ireland Committee and was its president in 2010-11.

**Deputy president**

Joseph Owolabi FCCA

Joseph is CEO at Rubicola Consulting – a green finance advisory firm. His previous senior management roles are as director at Deloitte Asia Pacific, senior manager at PwC Australia, and leader of EY West Africa’s Climate Change and Sustainability Services. Before his election to Council in 2015, he was a member of ACCA’s International Assembly.

He has made significant contributions to the profession as a champion for the implementation of International Financial Reporting Standards (IFRS) across Africa, and pioneer advisor for the global adoption of non-financial reporting (sustainability and integrated reporting). He assisted in the issuance of the first Sovereign Green Bond from an emerging market.

Joseph holds a Master of Arts degree from the York St John University and he has attended executive programmes at The Wharton School, University of Pennsylvania and Harvard Business School. He is also a Certified Internal Auditor.

**Vice president**

Ronnie Patton FCCA

Ronnie initially chose to study for the ACCA qualification due to the flexibility it afforded. Prior to moving into education, he was employed in professional practice, consultancy and a variety of industries including distribution, retailing and financial services. He’s been a senior lecturer in Professional Accounting Practice at Ulster University since 2003.

Ronnie has broad experience in curriculum and course design, developing and delivering courses and assessment. He’s been an ACCA examiner and coordinator in the past and he is a past president of ACCA Ireland.

**Non-Council member**

Anand Athal

Anand brings significant experience in financial analysis, data analytics, fintech, economics, professional services and government to the Council Board.

He is currently a Non-Executive Board Member of the UK Cabinet Office and a non-executive director of Lifescale Ltd, a financial technology firm and BPL (Holdings) Limited, a specialty insurance broker.

Anand was previously a co-founder of Amba Investment Services, now Acuity Knowledge Partners, and a Managing Director at Goldman Sachs. He has lived and worked in the United Kingdom, Hong Kong, Singapore, India, Sri Lanka, Costa Rica and the United States. He holds a MA in Economics from Cambridge University.

**Council member**

Mohd Nasir Ahmad FCCA

Nasir Ahmad’s accounting career started at Malaysia’s national power company, Tenaga Nasional Berhad, where he held various accounting and finance roles before becoming CEO of Malaysia Transformer Manufacturing Sdn Bhd in 1994. He then joined SPK Berhad as CEO in 2000. From 2001-2011, he was CEO of Perbadanan Ushawanan Nasional Berhad, the national entrepreneur development corporation. He is currently Chairman of CIMB Group Holdings Berhad, CIMB Bank Berhad and CIMB Bank PLC (Cambodia). He also sits as Independent Director of SIRIM Berhad and Prokhas Sdn Bhd besides being a Trustee of Yayasan Canselor UNITEN and Perdana Leadership Foundation. On 1 May 2021, he was appointed Chairman of the Malaysian Accounting Standards Board and Member of the Financial Reporting Foundation.

Nasir Ahmad is a former president of both the ACCA Malaysia Advisory Committee and the Malaysian Institute of Accountants.

**Council member**

Susan Allan FCCA

Susan is finance director for Willerby Holiday Homes, a privately owned business in the UK of 70 years’ standing. Before this, she was head of finance at DFS, where she led the commercial business partnering team and also helped float the company on the UK stock exchange.

In 2010, she joined our Hull members’ panel and from 2012-14, she was part of our International Assembly.

Susan’s expertise includes strategic planning, performance improvement, change management and people development.

**Council member**

Alice Yip FCCA

Alice is an audit partner at KPMG in Hong Kong. Dedicated to serving the consumer and industrial sectors, Alice has extensive experience in being the lead partner for initial public offerings and cross-border capital market transactions.

Alice has been a member of ACCA since 2000, and served as the chairman of ACCA Hong Kong for 2016-17. She has also participated in the Professional Development Sub-Committee of ACCA Hong Kong and contributed to the ACCA task force on various consultations on financial reporting, corporate governance and regulatory matters.

Alice is also a member of the Hong Kong Institute of Directors and the Hong Kong Retail Management Association.

**Non-Council member**

Anand Athal

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Ronnie has broad experience in curriculum and course design, developing and delivering courses and assessment. He’s been an ACCA examiner and coordinator in the past and he is a past president of ACCA Ireland.
Executive team 

ACCA’s Executive team are:
- Helen Brand, chief executive
- Alan Hatfield, executive director – content, quality and innovation
- Julie Hotchkiss, executive director – people and transformation
- Raymond Jack, executive director – finance and operations
- Maggie McGhee, executive director – finance and operations
- Lucia Real Martin, executive director – strategy, governance

Maggie McGhee also holds responsibility for sustainability matters at ACCA and will chair ACCA’s Strategy Steering Group on Sustainable Development which is being established in 2022-23.

On 1 November 2021, the two Executive director market portfolios were merged to create one Executive directorate portfolio, led by Lucia Real Martin. As part of further organisational changes across ACCA in 2022-23, the Markets directorate will be renamed Relationships and organised into three regions (Africa; Asia-Pacific; and Europe, Eurasia, Middle East and Americas), three priority countries (China, UK and India), and partnerships and recognition team.

Biographies and details of the responsibilities of Executive team members are online at: accaglobal.com/uk/en/about-us/who-we-are/meet-executive-team.html

Executive team demographics

Five of the team members are based in the UK and one is based in Australia.

Under the reward plan, members of the Executive team are eligible to receive a maximum payment of 25% of base salary per annum of which 20% is assessed against ACCA performance over the reporting year and the remaining 5% is determined by personal performance. The Remuneration Committee determines the level of award up to 20% achieved against ACCA targets for all executive directors alongside the level of award against personal targets for the chief executive. In turn, the chief executive determines how much of the 5% personal performance award is allocated to each of the executive directors. The chief executive is not present when her remuneration is discussed.

This is a fair, transparent reward solution which has been created in line with ACCA’s reward principles, supporting the achievement of our strategy and assessing performance over a meaningful period that reflects our focus on sustained performance, suitable for a long-term business. The basis of the award is transparent through the use of relevant and measurable performance targets, which are subject to external assurance and are clearly linked to driving value.

The Remuneration Committee has complete and sole discretion to moderate (up or down – including to 0%) the level of award determined if it does not believe the level adequately reflects underlying corporate performance or for any other reason.

Executive team remuneration

The total salary (including bonus and allowance paid) and benefits of the chief executive in the year ended 31 March 2022 was £435,308 (year ended 31 March 2021: £394,074). This includes a fixed non-pensionable allowance in lieu of pension benefits, introduced in August 2013 when the chief executive agreed to vary her contract of employment following the closure of the defined benefit pension scheme and an additional allowance in lieu of pension contributions.

The base salaries of the chief executive and executive directors at 31 March 2022 and 31 March 2021 are shown below on a banded basis.

<table>
<thead>
<tr>
<th>Number of employees (2020-21)</th>
<th>Number of employees (2021-22)</th>
</tr>
</thead>
<tbody>
<tr>
<td>£355,000 - £394,999</td>
<td>Nil</td>
</tr>
<tr>
<td>£315,000 - £354,999</td>
<td>1</td>
</tr>
<tr>
<td>£225,000 - £274,999</td>
<td>1</td>
</tr>
<tr>
<td>£195,000 - £234,999</td>
<td>5</td>
</tr>
</tbody>
</table>

International Assembly

In addition to these formal governance bodies, ACCA also has a global representational body of members, the International Assembly, which meets virtually at least once a year and contributes to the formulation and development of Council’s strategy by ensuring that it reflects and is relevant to the challenges facing the organisation and its members globally.

Executive team – responsibilities and composition

ACCA’s Executive team, led by the chief executive, is responsible for the delivery of ACCA’s agreed strategy and leading ACCA’s operations. The team consists of the chief executive and five executive directors. They are supported by a wider global leadership group of directors and other senior employees with significant operational and strategic responsibilities.
ACCA and SOCPA: working together to expand the profession’s contribution to business in Saudi Arabia

ACCA and the Saudi Organization for Chartered and Professional Accountants (SOCPA) have partnered to collaborate on areas that will expand the accountancy profession’s contribution to business in the Kingdom of Saudi Arabia.

Through our partnership, we plan to develop joint professional learning programmes, including certificates and other training programmes that lead to employment with major accounting firms. Following accreditation, SOCPA members are exempt from seven out of 13 ACCA Qualification exams, opening up the opportunity to gain the ACCA Qualification in addition to the SOCPA designation. The partnership also includes collaboration on events, research and insights, and initiatives that support small and medium practices.

Number of employees: ACCA relies on a diverse global workforce in order to deliver its strategy. At 31 March 2022, ACCA had 1,377 full-time equivalent employees – 27 fewer overall than the prior year.

Employee gender diversity

Overall

This progresses the following areas of ACCA’s vision, purpose and strategy

- Purpose
- Inclusion, integrity and innovation values

UN SDG commitment

- SDG 8: Decent work and economic growth
- SDG 9: Industry, innovation and infrastructure
- SDG 16: Peace, justice and strong institutions
- SDG 17: Partnerships for the goals

Diversity and inclusion

ACCA has three active employee communities:

- Impact (focused on ethnicity)
- Embrace (LGBTQIA+)
- Thrive (wellbeing).

The communities, launched in October 2020, ran over 70 community-led activities for employees in their first year. The chairs and vice-chairs of each group also sit on ACCA’s inclusion and diversity steering group which oversees activities at a corporate level and monitors our progress towards becoming a more inclusive organisation.

During 2021-22 we encouraged employees to incorporate gender pronouns in their email signatures. ACCAs Unconscious Bias e-learning module has now been completed by over 90% of employers, and an ‘embracing difference’ diversity module has been included in our core People Manager development programme. In addition to this, new inclusion and diversity questions have been included in our employee engagement survey to identify where we can keep making improvements.

UK gender and ethnicity pay gap reporting

This year we will once again publish our UK gender and ethnicity pay gap report. One detailed combined report includes the results, as well as a full narrative describing the actions we have already taken, and those we intend to take going forward, to continue to improve our pay differentials. We continue to develop our data in order to analyse and improve inclusion and diversity across ACCAs global employee network. accaglobal.com/uk/en/about-us/annual-reports.html

Employee engagement

We survey ACCAs global employee network twice each year to measure engagement, assess how we’re doing on our culture change journey and identify challenges and issues we need to address.

In April 2021 our overall engagement score dropped four points below the external global benchmark of 74% – primarily due to the organisational changes announced shortly before the survey opened. By October 2021 it had gained much of the lost ground and increased by three points – one point below the benchmark.

April 2021

70% of employees said they were happy working at ACCA and would recommend ACCA as a great place to work (based on 79% response rate)

October 2021

73% of employees said they were happy working at ACCA and would recommend ACCA as a great place to work (based on 79% response rate)

We continue to see strong perceptions relating to connection with ACCA’s purpose, ‘my manager’, and ‘my team’ as well as the quality and transparency of communications throughout the organisation. Empowerment, personal growth, understanding and removing barriers to execution and clarity of our organisational decision-making processes are key areas of focus. We have organisational and team action plans to address these focus areas and drive continuous improvement in our employee experience.

Employee gender diversity

Overall

39% Male
61% Female

UK gender and ethnicity pay gap reporting

Overall

30% Male
70% Female

Employee engagement

April 2021

70% of employees said they were happy working at ACCA and would recommend ACCA as a great place to work (based on 79% response rate)

October 2021

73% of employees said they were happy working at ACCA and would recommend ACCA as a great place to work (based on 79% response rate)

We continue to see strong perceptions relating to connection with ACCA’s purpose, ‘my manager’, and ‘my team’ as well as the quality and transparency of communications throughout the organisation. Empowerment, personal growth, understanding and removing barriers to execution and clarity of our organisational decision-making processes are key areas of focus. We have organisational and team action plans to address these focus areas and drive continuous improvement in our employee experience.

Leadership (the Executive team and their direct reports)

Overall

44% Male
56% Female
Employee performance, development and wellbeing

ACCA's employee network is outcome and performance focused, and we place an emphasis on empowering our people to deliver their best for ACCA.

At the start of the reporting year, our people work with their managers to agree performance objectives that are aligned with our strategic priorities for the year and ACCA’s strategy to 2025. Performance is reviewed formally through mid-year and end-of-year reviews, supported by regular one-to-one sessions to track progress and discuss the support or development needed to deliver objectives and demonstrate ACCA’s behaviours.

ACCA encourages all employees to take a continuous learning approach to their development. In 2021-22 we launched a new personal development planning guide, supporting employees to identify their learning and development needs and plan their career development.

We provide regularly refreshed compliance e-learning and deliver a wide range of soft skills training. All employees also have access to LinkedIn Learning, a library of over 16,000 online courses covering a wide range of business, creative and technical subjects. We also encourage employees to become mentors or to seek out a mentor to support their learning goals. ACCA also funds essential CPD activities, maintaining a cost-conscious approach to this.

To support our talent ambitions, we provide all people managers with information and guidance through a people managers’ community, and in 2021-22 we also delivered a modular people manager development programme across ACCA.

In 2021-22 we continued to support the wellbeing of our people. Since the conflict in Ukraine began, we have been in close contact with our team of three employees in Ukraine, with their safety and wellbeing a key priority. In broader terms, our employee intranet and our ACCA wellbeing community, Thrive, offers our people a range of wellbeing information and support as they continue to deliver the strategy against the backdrop of the coronavirus pandemic and the wider challenges in the geopolitical and economic environment.

We recognise that ACCA’s employee culture is key to delivering the strategy to 2025 to maximum effect. Our behaviour framework details our desired behaviours, which are closely aligned to ACCA’s purpose and values.

Organisational changes in 2021-22

We recognise the importance of continuing to transform and change how we work so we can deliver the strategy to 2025 in the most effective and efficient way and ensure a resilient, sustainable organisation for the future.

This has been reinforced by the global context and the accelerating pace of change in recent times.

We plan to keep serving the ACCA community to the best of our ability, and position ACCA to better take advantage of future opportunity. To deliver this, we’re continually thinking about how we can do things differently and better.

In 2021-22, as part of a multi-year strategic efficiency review, we began to introduce changes across ACCA. These included rolling out future-ready and digital ways of working, taking decisions to reduce our property portfolio and implementing a number of changes to our organisational design.

In March 2022, we announced further organisational changes, designed to transform how we deliver to the marketplace and create value for our stakeholders. These changes are designed to:

- continue to evolve our ways of working to build on the accelerated shift to digital
- evolve how we create and deliver content, ensuring it has maximum impact
- refine our ‘go-to-market’ approach to deliver greater value to our stakeholders
- strengthen our strategic insight and analytics capabilities to support decision making
- increase the number of globally distributed teams across ACCA, so we can make the most of our global talent, offering increased opportunities to our people regardless of location, and staying close to our stakeholders.

Overview of changes

<table>
<thead>
<tr>
<th>Strategy and governance</th>
<th>We are strengthening our insights and analytics team as we continue to enhance our approach to data analytics and reporting. We’re also redesigning our strategic planning approach to ensure a stronger shared focus on delivering opportunities. We are also placing a greater focus on external trends, disrupters and scenarios.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationships</td>
<td>ACCA’s markets directorate is being renamed relationships and organised into three regions (Africa, Asia Pacific, and Europe, Eurasia, Middle East and Americas – EEMA), three priority countries (China, India and the UK) and a partnerships and recognition team. Relationships will maximise our unique market presence and ability to drive engagement across our community and nurture rich and meaningful partnerships, all of which will contribute to developing the profession.</td>
</tr>
<tr>
<td>Content, quality and innovation</td>
<td>We are bringing together ACCA’s brand and marketing functions to enable a more integrated approach to ‘go-to-market’ planning, and to create a more holistic view of how we’re delivering to and communicating with each stakeholder group from both a global and local perspective. We are introducing a learning and commercial function to create content corporately while also reflecting the needs and views of each stakeholder group, and to drive a greater commercial focus as we ensure our global proposition is delivered and maximised across the world. The professional insights team is being renamed policy and insights and regional policy team members are joining the team as we consolidate policy development across ACCA.</td>
</tr>
<tr>
<td>Finance and operations</td>
<td>We’re making changes within our IT function to ensure we keep providing the expertise and services needed while building the foundations for ACCA’s future digital landscape.</td>
</tr>
<tr>
<td>People and transformation</td>
<td>We have made changes within the transformation team to better support the delivery of our continuing digital transformation and maximise the benefits it will bring, as well as supporting the transition to our new ways of delivering to market and embedding transformational change.</td>
</tr>
</tbody>
</table>

Suspending our operations in Russia

In March 2022 we took the decision to suspend in-market operations in Russia and Belarus. We took this decision in line with a set of values-based and operating principles that are designed to guide ACCA’s response to geopolitical tension and conflict. The sanctions that were introduced restricted our ability to deliver exams and also to maintain cashflow and fulfil payment obligations to the state, employees and suppliers. As a result, our team of 13 employees in Russia left ACCA’s employment on 31 March 2022.

The safety of our people is always our primary concern, and we are doing what we can to support our team of three employees in Ukraine. We are supporting members and future members in Ukraine in a range of ways. This includes encouraging employers from across the wider region to publish job offers on ACCA Careers targeting those leaving Ukraine for other countries across the region. We’re also signposting free e-learning, wellbeing support, and official government information. For more information, visit ACCA’s Ukraine hub at accaglobal.com/gb/en/cam/ukraine.html

We are committed to support our members and future members fairly and inclusively wherever they are in the world. As part of this commitment, we continue to support our members and future members in Russia, who have continuing access to our global support services.

Modern Slavery Act commitment

We are committed to acting ethically and with integrity in all our business dealings and relationships. We act on this commitment by implementing and enforcing effective systems and controls to ensure that modern slavery is not taking place in our organisation or in any of our supply chains. We expect the same high standards from our suppliers, contractors and other business partners, and as part of our contracting process we include prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude. We expect that our suppliers will hold their own suppliers to the same high standards. Our Executive team has overall accountability for ensuring that our organisation complies with this policy and for monitoring its use and effectiveness, as well as the auditing of internal control systems and procedures.
Looking forward to 2022-23

Strategic priorities in 2022-23
Our 2022-23 strategic priorities have been shaped by our analysis of the global context, our strategic performance and stakeholder perceptions, and our desire to progress ACCA’s purpose in a world that continues to fundamentally change. In 2022-23 we are working to three strategic priorities, targeting performance across ACCA’s balanced scorecard.

Lead: delivering employability
We want our members and future members to be in demand, enjoy meaningful careers and deliver change for public good. So, we’ll build our brand power across our markets, connecting our community and working closely with employers to understand their needs so we can maximise the career and learning support we offer.

Create: driving student progression
We want every student to value and progress their journey with ACCA. So, we’ll enable students to sit exams wherever possible, working alongside our partners to support them to confidently enter and pass, and clearly demonstrate we have their best interests at heart.

Deliver: delivering and embedding our transformation
We want to keep innovating and changing to take the strategy forward. So, we’ll continue to focus on delivering new digital capabilities and embedding these to their maximum impact, including progressing our future vision for learning and assessment to ensure we deliver what the world needs.

ACCA and CA ANZ: driving forward initiatives for the benefit of the profession and business world
Since the Alliance was established in 2016, ACCA and the Chartered Accountants of Australia and New Zealand have worked together on a wide range of joint initiatives, both to support our members and develop the profession globally. And in 2021-22 we continued to collaborate on a range of areas which included:

- our joint AI and ethics insights report highlighting the pressing need for the accountancy profession to make connections between artificial intelligence (AI) and its relationship to environmental, social and governance (ESG) dimensions
- a series of publications and a co-branded playbook demonstrating the practical benefits of sustainable practices for small businesses and showcasing examples of SMEs championing sustainability
- a joint sustainability special edition of AB, timed to align with COP26.

This progresses the following areas of ACCA’s vision, purpose and strategy

- Purpose
- Integrity and innovation values

UN SDG commitment

- SDG 8: Quality education
- SDG 12: Responsible consumption and production
- SDG 16: Climate action
- SDG 17: Partnerships for the goals
Targeting performance

In 2022-23, our strategic priorities will drive forward a number of our commitments to the UN SDGs. We will engage with the ACCA community and the profession on the sustainability agenda in several ways, including through our Accounting for a Better World insights report which sets out a clear agenda for action for the profession.

Key steps we’ll also take as an organisation include:

- **Progressing our journey to carbon net zero**
  We've identified our baseline year for carbon emissions as 2019-20, and we are going to adopt a science-based approach to identifying, reporting on and reducing ACCA’s carbon emissions.

- **Establishing a strategy steering group on sustainable development**
  The steering group will provide a central point of oversight, monitoring the impact of our sustainability activity and working with the Audit Committee to continually evolve how we report on progress.

- **Articulating corporate risks**
  We will embed the risks involved in our approach to sustainability and our transition to carbon net zero into existing risks to the delivery of the strategy to 2025 and ensure they feature in directorate and team level risk registers.

- **Rolling out internal training**
  This will support ACCA’s employee network to understand how, through the work they do to deliver the strategy, they can support ACCA’s sustainability and our journey to carbon net zero.

### Strategic outcome Measure 2022-23 target

| **Vision** | **Number of members** | 247,100 |
| **Lead** | **We target four brand trust elements, achieving the Lead measure if we meet all four.** |
| Innovation: % agree that ACCA shapes the accountancy profession | 80% |
| Integrity: % agree that ACCA promotes the highest professional and ethical standards | 80% |
| Inclusion: % agree that ACCA acts with members’ and future members’ best interests at heart | 68.5% |
| Member market share | 21.9% |
| **Financial sustainability** | **£7.4m deficit (before tax)** |
| **Community** | **Net promoter score (NPS)** | +33 |

| **Create** | **Number of future members** | 542,300 |
| **Knowledge** | % agree that ACCA understands my needs as a member / future member | 63% |

| **Value** | **Number of exam entries** | 631,000 |
| We target three progression elements, achieving the Create: Value measure if we meet all three. | % of students passing an exam in the year | 30.0% |
| % of affiliates achieving membership in four years | 67.5% |

Against a complex and turbulent global backdrop, we plan to keep developing the accountancy profession the world needs, serving the ACCA community to the best of our ability and equipping our members and future members with the knowledge and skills to contribute to a better and fairer future.

And the best way to do this is by delivering our strategic priorities for 2022-23 in a way that progresses ACCA’s purpose, vision and strategic ambition, and by continuing to challenge ourselves to do things differently and better so that we can deliver maximum value and ensure a sustainable future for ACCA and its community.

We look forward to delivering on all of this as we progress ACCA’s purpose in 2022-23.