

BACKGROUND NOTE ON ACTION PLANS

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption¹ and implementation² of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

Use of Information

Please refer to the [Disclaimer](#) published on the Compliance Program website.

ACTION PLAN

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| IFAC Member: | Association of Chartered Certified Accountants (ACCA) |
| Original Publish Date: | August 2009 |
| Last Updated: | September 2019 |
| Next Update: | September 2023 |

¹ *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

² *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

GLOSSARY

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| CPD | Continuing Professional Development |
| FRC | Financial Reporting Council |
| FRC – POT | Financial Reporting Council – Professional Oversight Team |
| GPR | Global Practising Regulations |
| IAASA | Irish Auditing & Accounting Supervisory Authority |
| IAAER | International Association for Accounting Education and Research |
| IAESB | International Accounting Education Standards Board |
| IASB | International Accounting Standards Board |
| IESBA | International Ethical Standards Board for Accountants |
| IES | International Education Standards for Professional Accountants |
| IEPS | International Education Practice Statements |
| IEIP | International Education Information Statements |
| IFRS | International Financial Reporting Standards |
| IPSASB | International Public Sector Accounting Standards Board |
| ISA | International Standards on Auditing |
| ISQC | International Standard on Quality Control |
| POB | Professional Oversight Board |
| QA | Quality Assurance |
| RAB | Recognised Accountancy Body |
| RSB | Recognised Supervisory Body |
| SMO | Statement of Membership Obligation |

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: To Maintain ACCA’s Quality Assurance Scheme and Ensure it continues to Comply with SMO1

Background:

In the UK and Ireland, the quality assurance requirements for audit are set out in the European Union Statutory Audit Directive and are enacted in the respective Companies Acts, under which ACCA is a Recognised Supervisory Body (RSB) in the UK and a Recognised Accountancy Body (RAB) in Ireland. In the UK, the legal obligations are supplemented by a Delegation Agreement with the Financial Reporting Council (FRC) which sets out requirements in a number of areas, including quality assurance. ACCA both registers firms for audit work and conducts quality assurance inspections using a cyclical, risk-based approach. ACCA has been carrying out monitoring visits to audit-registered firms in the UK and Ireland since 1991. The quality assurance arrangements are compliant with the requirements of SMO 1 and this document is therefore written with the aim of maintaining and further developing the existing quality assurance programme.

The objective of each inspection is to confirm the firm’s eligibility for an auditing licence and to monitor compliance with the International Standard on Quality Control (ISQC) 1, the International Standards on Auditing (ISAs) and the Ethical Standards for Auditors, as adopted in the UK and Ireland respectively with minimal amendment from the corresponding IAASB standards, together with International Education Standard 8 and the audit-relevant elements of ACCA’s Code of Ethics and Conduct (based on the IESBA’s Code of Ethics for Professional Accountants). The inspection is carried out by reference to relevant policy statements and guidance documents, and employing a well-established suite of standard checklists, documented procedures and internal quality controls. ACCA also periodically monitors compliance with its Global Practising Regulations (GPRs) and remaining elements of the Code of Ethics and Conduct, either in conjunction with a quality assurance review or as a separate desk-based exercise.

As an RSB and RAB, ACCA is subject to regular inspections by the relevant oversight body (the UK FRC Professional Oversight Team and the Irish Auditing & Accounting Supervisory Authority (IAASA)) to ensure that the quality assurance programme is operating effectively. The operation of the quality assurance programme is also subject to scrutiny by ACCA’s Regulatory Board, which is responsible for oversight of all regulatory and disciplinary arrangements to ensure they are operated at appropriate ‘arm’s length’ from ACCA’s other activities. From 2019, ACCA has introduced an Audit Monitoring Committee, which has responsibility for reviewing the results of quality assurance inspections, in particular those which result in an unsatisfactory grade, and for ensuring that inspections are carried out to a consistent standard. This Committee operates in addition to ACCA’s existing regulatory and disciplinary framework.

As a result of the significant quality assurance experience amassed over almost 30 years, ACCA has been able to assist a number of other national audit regulators in developing and enhancing their quality assurance programmes. ACCA also provides quality assurance review services, under contract, to a number of these regulators.

For more detailed information regarding the quality assurance scheme, please see the ACCA website (www.accaglobal.com).

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|---|------------|---|-----------------|--|--------------------------------------|
| <i>ACCA's Quality Assurance Schemes</i> | | | | | |
| 1. | Current | ACCA will continue to run its quality assurance schemes in the UK and Ireland and report to FRC - POT and IAASA on the running of these schemes. | Ongoing | Head of Monitoring, Compliance Manager | ACCA Monitoring department personnel |
| 2. | Current | ACCA will continue to implement any requirements and consider the recommendations raised by FRC-POT and IAASA to enhance existing quality assurance review procedures following their periodic inspections of ACCA's quality assurance activities in the UK and Ireland. | Ongoing | Head of Monitoring, Compliance Manager | ACCA Monitoring department personnel |
| 3. | Current | ACCA is also appointed by the national audit regulators of Cyprus, Malawi, Trinidad & Tobago, Barbados, Guyana, Antigua & Barbuda, St Lucia, St Kitts & Nevis, Dominica, Grenada, Jamaica the Bahamas and Belize, to provide quality assurance review services on their behalf. | Ongoing | Global Assurance Manager | ACCA Monitoring department personnel |
| 4. | Current | ACCA provides consultancy services and workshops to national regulators wishing to set up, or enhance, quality assurance and disciplinary schemes which are compliant with SMO 1 and SMO 6. Such services have recently been provided to PAOs in the Caribbean under an arrangement with the Institute of Chartered Accountants of the Caribbean (ICAC) the national regulator of Rwanda and in the past have been provided to the national regulators in Poland, Jamaica, Trinidad & Tobago and Vietnam. | Ongoing | Director – Regulatory Development | ACCA personnel as applicable |
| 5. | Current | ACCA will continue to review the effectiveness of its quality assurance inspection procedures, particularly in driving improvements in audit quality. Following FRC-hosted roundtable meetings in July 2017 and November 2018, the RSBs have agreed audit quality KPIs linked to the outcome of quality assurance reviews: ACCA will monitor this KPI, and identify the root causes of non-compliance with auditing standards in order to develop further enhancements in the quality assurance process. | Ongoing | Head of Monitoring, Compliance Manager | ACCA Monitoring department personnel |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
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| <i>Education and Training Products</i> | | | | | |
| 6. | Current | Maintain contact with the approved training organisations in UK and Ireland and distribute information as required to ensure that they understand ACCA's approach to assessing audit work and therefore offer the best possible guidance to firms on the improvements required in their audit work. | Ongoing | Compliance Manager | ACCA Monitoring department personnel |
| 7. | Current | ACCA has developed an ISQC 1 manual for very small firms, including sole practitioners, to assist members to design and document appropriate quality control policies and procedures that comply with ISQC 1. The manual, which is periodically reviewed and updated (for example, in response to a revision to ISQC 1), has been made available to a number of professional bodies, globally for use by their audit firms. | Ongoing | Compliance Manager, Global Assurance Manager | ACCA Monitoring department personnel |
| 8. | Current | ACCA has developed an ISQC1 workshop based on its ISQC1 manual, to give practical assistance to auditors in designing and documenting appropriate quality controls and procedures for their firms. The workshop is run annually, depending on demand. | Ongoing | Head of Monitoring | External consultant (training organisation) |
| 9. | Current | ACCA has commissioned the developed a workshop for its members on the practical application of auditing standards. The workshop is run several times per annum depending on demand. | Ongoing | Head of Monitoring | External consultant (training organisation) |
| <i>Action plan for Additional Items for Next Twelve Months</i> | | | | | |
| 10. | Current | Review the information available about ACCA's quality assurance programme on the ACCA website to ensure that it reflects the current approach, and identify opportunities to enhance the information and guidance available to audit-registered firms, particularly with a view to improving audit quality. | 31 March 2020 | Compliance Manager, Monitoring Operations Manager | ACCA Monitoring department personnel |
| <i>Review of ACCA Compliance Information</i> | | | | | |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|-----|------------|---|-------------------|--|--------------------------------------|
| 11. | Ongoing | Perform periodic review of ACCA's compliance with SMO 1, using the Compliance Self-Assessment questionnaires, including relevant updates in the SMO Action Plan as necessary. | 31 December 2019. | Head of Monitoring, Global Assurance Manager, Compliance Manager | ACCA Monitoring department personnel |

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB
Action Plan Objective: Continue to Ensure that all IES requirements are taken into Account in ACCA's Education Requirements

Background:

ACCA is a Recognised Professional Body for 'Chartered Certified Accountants' globally. As mentioned in SMO1, ACCA is a Recognised Qualifying and Supervisory Body in the UK for auditors.

There is no specific law that defines IPD and CPD requirements for professional accountants, apart from the regulation for statutory auditors. The regulation of statutory auditors in the UK is through the Companies Act 2006 (transposed from the EU Statutory Audit Directive (2006/43/EC)).

The ACCA Qualification and CPD programme is fully compliant with the IESs.

ACCA's Regulatory Board oversees and assures ACCA's Qualifications through a Qualifications Board. An external examiner verifies and reports to the Qualifications Board on the standard of ACCA examinations. Externally, there are a number of bodies who oversee ACCA's certification process. The Financial Reporting Council (FRC) oversees ACCA's award of Practising Certificate with Audit Qualification for 'Registered Auditors' in the UK. FRC's Professional Oversight Team audit ACCA annually and report on ACCA to the UK Government. The Scottish Qualifications Authority Accreditation body provides official accreditation of ACCA as an 'Awarding Body' in the UK, and has aligned the ACCA Qualification to the same level as a Masters degree on the Scottish Credit and Qualifications Framework (SCQF).

ACCA has updated its systems and processes to be in line with the revised IES8 for Audit Engagement Partners. ACCA is also working to update its systems and processes to be in line with the revised IES7. ACCA is reviewing the ACCA Qualification and CPD requirements to ensure they meet the Professional Competences.

For detailed information regarding entry requirements, qualifications, and learning providers for ACCA, please visit the website (www.accaglobal.com).

ACCA has an annual update and refreshment process for the development and quality assurance of the ACCA Qualification. ACCA has been closely engaged in the recent revisions to the IESs. The ACCA Qualification department is responsible for annually collating and updating any educational and occupational updates to the competences relevant to business and finance professionals in the workplace. This process is managed by the Head of ACCA Qualification and Director of Skills and Assessment and includes, but is not restricted to, updating syllabuses with any significant changes in the IESs, to ensure they meet national and international occupational standards. This also includes general updates to examinable documents relating to law, standards and regulation in jurisdictions in which the ACCA Qualification applies globally. A review of the recent revisions to the IESs has resulted in ACCA making the following updates to the ACCA Qualification:

- Competency framework: The new ACCA Competency Framework was successfully launched in May 2018 and is an online, interactive tool which demonstrates the different competencies developed through all elements of the ACCA Qualification and links these competencies to jobs in finance. It is a valuable tool to illustrate how ACCA members are complete finance professionals and have a comprehensive skill set to work in a variety of accounting and finance roles. The Competency Framework is designed in such a way that it does not remain a static

document. Content is designed in a flexible way allowing for updates at any time as and when the profession dictates.

- ACCA exams: All exam syllabuses are reviewed by ACCA to ensure that any changes to education standards or law relating to the technical material contained within the exam syllabuses are compliant with the latest extant documents. The changes to the exam syllabuses are summarised and communicated to all relevant stakeholders. ACCA has revised its exam syllabuses to include:
 - the revised Code of Ethics 2018 within all of the relevant exams and
 - more digital content and is transitioning exams to be delivered as computer based assessments using workplace technology. This is to better comply with the enhancement of ICT within the education standards.
- Ethics modules: ACCA offers Foundations and Professional ethics modules which form mandatory components of the relevant qualifications. These are updated on a regular basis. The Professional ethics module was re-launched in 2017 and updated again in 2019 to coach and assess in the ethical and professional, skills including the digital skills required for finance professionals. There are numerous diagnostic and learning activities which encourage a desire for continual professional development. There is a synoptic case study drawing on ethical, digital and professional skills set within a real-life business context.
- Practical Experience Requirements: The ACCA Practical Experience Requirements (PER) were revised and updated in 2019, specifically to reflect the broadening roles of business and finance professionals, to strengthen the visibility of the IES 5 requirements on professional skills, and include a greater focus on ICT skills as follows:
 - IES 5: There is now more emphasis on communication, specifically proactivity, consultation, cultural sensitivity and diversity. These changes were introduced in February 2016 to align with the launch of the enhanced PER recording tool.
 - Broadening business and finance professional roles: Two new performance objectives relating to data analytics and, advisory and consultancy services were launched in April 2019. In 2019 further changes will be made to recognise experience gained outside a relevant role. Such experience could contribute towards 12 months of the overall requirement of 36 months.

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
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| <i>Updating ACCA's Education and Training Requirements</i> | | | | | |
| 12. | January 2007 | The current qualification structure was introduced in September 2018 and is substantially based on the 2007 qualification structure. There has been a programme of iterative improvements. Iterative changes are made annually following the review of the changes in the role of the business and finance professional, the introduction of more digital syllabus content and delivery, and responding to feedback from regulators, members and employers. Exam syllabuses are annually updated to ensure compliance with the latest tax, law, audit and financial reporting requirements. | Ongoing | Director of Professional Qualifications | 13 staff plus c. 120 members of the ACCA exams panels |
| 13. | Current | Review all changes to IESs and related guidance with a view to implementing in qualification CPD or for practicing partners as appropriate. | Ongoing | Director of Professional Qualifications | 6 staff |
| <i>Working with IFAC on Developing International Education and Training Requirements</i> | | | | | |
| 14. | Ongoing | Respond to all proposed new International Education Standards (IESs), and any related guidance promulgated by IFAC. | According to IAESB timetable | Director of Professional Qualifications | 3 staff plus education and technical committees as appropriate |
| 15. | Ongoing | Input directly to the future of International Education Standards by providing a Technical Adviser to the International Accounting Education Standards Board (IAESB) until July 2019. Thereafter provide representatives to serve on the new International Panel on Accountancy Education and/or International Accountancy Education Directors' Forum. | As requested by IFAC | Director of Professional Qualifications | 1 staff |
| 16. | Ongoing | Assist the IAESB and its Working Parties with drafting IESs and any related guidance. | According to IAESB timetable | Director of Professional Qualifications | 2 staff |
| 17. | Current | Publish news of IESs and any related guidance, in ACCA's emagazine <i>teach accounting</i> as considered necessary. | As necessary | Editor of <i>teach accounting</i> | 1 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|--|------------|--|-----------------|--|---|
| 18. | Current | Collaborate with the International Association for Accounting Education and Research (IAAER) on an annual Central and Eastern European Emerging Accounting Scholars Research Workshop. | Ongoing | Director of Professional Insights | External researchers |
| <i>Maintaining Ongoing Processes</i> | | | | | |
| 19. | Current | Ensure on an ongoing basis that ACCA's practical experience and training requirements, including Continuing Professional Development (CPD), are updated in line with IESs. | Ongoing | Director of Professional Qualifications | 3 staff |
| 20. | Current | Publish details of ACCA's education requirements in ACCA's e-magazine for students <i>Student Accountant</i> in addition to ACCA's website. | As necessary | Editor of <i>Student Accountant</i> | 1 staff |
| 21. | Current | Continue to consult with members on major changes to ACCA's qualification and training requirements on a world-wide basis. ACCA consults with regulators, members, employers, learning providers and students on qualification changes. The level of consultation and which group depends on what the change is. | Ongoing | Director of Professional Qualifications | 7 staff |
| 22. | Current | Continue to operate Joint Examinations Schemes with other IFAC member bodies and/or potential member bodies to allow them to adopt ACCA's syllabus and examinations and meet SMO 2. | Ongoing | Market Director – Partnerships & Recognition | 2 staff at CHQ plus regional or national office staff |
| <i>Review of ACCA's Compliance Information</i> | | | | | |
| 23. | Ongoing | Perform periodic review of ACCA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated, inform the IFAC compliance staff about the updates in order for the compliance Staff to republish updated data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 2 as necessary. | Ongoing | Director of Professional Qualifications | 3 staff |

Action Plan Subject: SMO 3–International Standards and Other Pronouncements Issued by the IAASB
Action Plan Objective: Continue to Support and Encourage the Financial Reporting Council in the UK and the European Union to Adopt International Auditing and Assurance Standards

| Background: | | | | | |
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| In the UK, auditing standards are the responsibility of the Financial Reporting Council. The ISAs (UK and Ireland) follow the text of the ISAs but also include some supplementary requirements and guidance. | | | | | |
| # | Start Date | Actions | Completion Date | Responsibility | Resource |
| <i>Work on the Adoption and Development of Auditing Standards</i> | | | | | |
| 24. | Current | Continue to lobby in the UK and Europe for the adoption of International Auditing and Assurance Standards on a minimum divergence basis. | <p>The EU has committed to ISAs in Article 26 of the 2014 Audit Directive, but as of January 2016 it has yet to adopt any of the standards</p> <p>The UK has adopted ISAs as its local standards with minor amendments to accommodate local law, the additional obligations of the EU Audit Regulation and Directive and some extensions to requirements.</p> | Director Professional Insights, Head of Audit and Assurance | 2 staff |
| 25. | Current | Continue to respond to Exposure Drafts of Standards and other statements issued by the International Auditing and Assurance Standards Board (IAASB) and by FRC as they pertain to IAASB standards. | According to IAASB timetable | Head of Audit and Assurance | 2 staff |
| 26. | Current | Continue to solicit the views of members and ACCA's Global Forums. | According to IAASB timetable | Head of Audit and Assurance | 2 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|---|------------|---|---|---|-----------------------------------|
| 27. | Current | Supporting the work of the IAASB by commissioning research projects addressing issues of importance to the global profession. | Ongoing | Head of Development, Head of Audit and Assurance | 2 staff plus external researchers |
| 28. | Current | Put forward representatives to serve on the IAASB and its Working Parties. | Ongoing | Head of Policy, Asia Pacific | 1 staff |
| 29. | Current | Supporting the work of IAASB through provision of Technical Adviser to IAASB board member. | Ongoing | Head of Audit and Assurance | 1 staff |
| 30. | Current | Assist the IAASB and its Working Parties. | Ongoing | Head of Audit and Assurance | 2 staff |
| 31. | Current | Promote the adoption and development of IAASB standards through Accountancy Europe Audit and Assurance Policy Group. | Ongoing | Head of Audit and Assurance | 1 staff |
| <i>Maintaining Ongoing Processes and Services</i> | | | | | |
| 32. | Ongoing | Continue to publish details of IAASB pronouncements and developments through ACCA's journal <i>Accounting and Business</i> . Deliver a programme of contemporary, relevant, accounting and business related articles in its range of professional publications (including online and social media), to enable its members to take an informed perspective on the profession, and the business and technical matters which inform and shape its development. | The journal is published ten times a year. The high level <i>Accountancy Futures</i> is published twice a year. Others Ongoing. | Publications Editor, Head of Audit and Assurance | 3 staff |
| 33. | Ongoing | Highlight technical and business changes and developments including comment, analysis, updates and assistance through ACCA's technical advisory service. This includes the online provision of updates via audit and assurance, financial reporting and law and regulation sections of website. | Ongoing | Head of Technical Advisory | 4 staff |
| <i>Education and Training Products</i> | | | | | |
| 34. | Ongoing | Continue to base ACCA's international stream syllabus audit papers on International Auditing and Assurance Standards and update the syllabus annually. | Publish changes in <i>Student Accountant</i> as required | Head of ACCA Qualification | 2 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
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| 35. | Current | Continue to offer ACCA's Certificate in International Auditing, an online course delivered entirely through ACCA's e-qualifications portal – ACCA's virtual learning environment – based on International Auditing and Assurance Standards. | Ongoing | Head of Specialist Solutions | 1 staff |
| 36. | Current | Continue to facilitate access to CPD opportunities for members through courses and on ACCA's members' web portal. Also offer access to CPD through ACCA's professional publications, by delivery of an editorial programme which includes a programme of online technical features, which test members' knowledge and skills, and through which members may derive verifiable CPD units on successful completion of the objective testing. | Ongoing | Head of Professional Courses, Head of Professional Development, Editor of <i>Accounting and Business</i> and Heads of Offices outside the UK | 14+ including staff outside the UK and using many external tutors |
| 37. | Current | ACCA continue to examine AAA <i>Advanced Audit and Assurance</i> in a relevant and practical manner, consistent with recommendations made by the FRC Professional Oversight Team. | Ongoing | Head of ACCA Qualification | 2 staff |

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Ensure Members Follow ACCA’s Code of Ethics and Conduct

| Background: | | | | | |
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| <p>ACCA’s Code of Ethics and Conduct has been developed over many years and has always been aligned to the IESBA Code of Ethics. Adoption of the IESBA Code is achieved by incorporating it, in its entirety, into the ACCA Code of Ethics and Conduct. Where necessary, ACCA has augmented the IESBA Code with additional guidance where it is deemed appropriate, for example on money laundering and whistleblowing. This additional material is clearly differentiated from the original text of the IESBA Code by the use of italics. In adopting the IESBA Code, ACCA has not changed any of the IESBA text, and has reproduced it in exactly the form issued by the IESBA. ACCA has made available resources to be able to engage with the IESBA when proposals to amend the IESBA Code are exposed. Members are made aware of any resulting changes to the IESBA Code.</p> <p>For more detailed information about the ACCA Code of Ethics and Conduct, please visit the website (www.accaglobal.com).</p> | | | | | |
| # | Start Date | Actions | Completion Date | Responsibility | Resource |
| <i>Maintaining Ongoing Processes and Services</i> | | | | | |
| 39. | Current | ACCA regularly revises its Code in line with IESBA amendments. As noted above, ACCA’s Code fully reflects the requirements of the IESBA Code. ACCA has incorporated the restructured IESBA Code into its Code of Ethics and Conduct, which is effective from 1 January 2019. ACCA therefore continues to be compliant with SMO 4. | Ongoing | Director - Regulation | 4 staff |
| <i>Education and Training Products</i> | | | | | |
| 40. | Current | Continue to facilitate access to CPD opportunities for members through courses and on ACCA's members' web portal. Also offer access to CPD through ACCA’s professional publications, by delivery of an editorial programme which includes a programme of online technical features, which test members’ knowledge and skills, and through which members may derive verifiable CPD units on successful completion of the objective testing. | Ongoing | Courses and Event Manager, Head of Professional Development, Editor of <i>Accounting and Business</i> and Heads of Offices outside the UK | 14+ including staff outside the UK and using many external tutors |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
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| 41. | Current | The ACCA members' website contains a section devoted to ethics and training in ethics. Factsheets and links to case studies support understanding of the ACCA / IESBA Code. All ACCA members have to successfully complete the ACCA Ethics and Professional Skills module in addition to passing all the exams and completing the practical experience requirements (PER), before they may be permitted to membership. | Ongoing | Head of ACCA Qualification, Head of Standards | 5 staff |
| 42. | Current | ACCA's member and student publications – printed magazines, magazine Apps, e-magazines and hub pages on the ACCA website – contain articles on ethics. | Monthly | Editors of <i>Accounting and Business</i> and <i>Student Accountant</i> | Ethics and professional values can be examined in context in 11 of ACCA's 15 professional qualification examinations. staff and external contributors |
| 43. | Current | ACCA's syllabus contains extensive coverage of ethics. Ethics and professional values can be examined within any of the exams, and directly within 8 of the 15 exams. | Ongoing | Head of ACCA Qualification | staff and external contributors |
| 44. | Current | ACCA students have to complete an online Ethics and Professional Skills module (EPSM). The EPSM replaces the former Ethics Professional online module. EPSM complies with the revised Code of Ethics 2018, integrating ethics with the professional and digital skills required of business and finance professionals. | Ongoing | Head of ACCA Qualification | 2 staff |

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Continue to Support and Encourage the Financial Reporting Council in the UK and the European Union to adopt International Public Sector Accounting Standards

| Background: | | | | | |
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| ACCA works with public sector organisations to support the delivery of excellence in public financial management with a focus on economy, efficiency and effectiveness. Our qualifications are designed to help build the finance capabilities needed by organisations in the Public Sector to deliver effective financial management and the stewardship of public funds. | | | | | |
| For information about ACCA technical activities related to the Public Sector, see the website (www.accaglobal.com/general/activities/subjects/publicsector/). | | | | | |
| # | Start Date | Actions | Completion Date | Responsibility | Resource |
| <i>Work on the Adoption and Development of International Public Sector Standards</i> | | | | | |
| 46. | Current | Continue to lobby for the global adoption of International Public Sector Accounting Standards (IPSAS). This includes, for example, ensuring that the decision to develop European Public Sector Standards (EPSAS) is as closely aligned to IPSAS as practicably possible. | Ongoing | Head of Public Sector, Head of Public Sector Policy | 2 staff |
| 47. | Current | Continue to respond to Exposure Drafts of Standards and other statements issued by the International Public Sector Accounting Standards Board (IPSASB) through ACCA's Professional Insights Department. | According to IPSASB timetable | Head of Public Sector Policy | 1 staff |
| 48. | Current | Continue to solicit the views of members through ACCA's website and ACCA's Public Sector Global Forum and Corporate Reporting Global Forum. | According to IPSASB timetable | Head of Public Sector, Head of Public Sector Policy | 2 staff |
| 49. | Current | Produce and disseminate high quality professional insights research into IPSAS implementation to help demonstrate the benefits of adopting IPSAS and provide guidance to governments seeking to do so. | Ongoing | Head of Public Sector, Head of Public Sector Policy | 2 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
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| <i>Maintaining Ongoing Processes and Services</i> | | | | | |
| 50. | Current | Continue to publish details of IPSASB pronouncements through ACCA's member magazine <i>Accounting and Business</i> (AB) and AB Direct, an email news and technical bulletin for members. These publications set out contemporary, relevant, accounting and business related topics to enable members to take an informed perspective on the profession, and the business and technical matters which inform and shape its development. | AB magazine is published monthly, and AB Direct weekly | Editor of <i>Accounting and Business</i> | 1 staff |
| 51. | Current | Highlight technical and business changes and developments including comment, analysis, updates and assistance through ACCA's technical advisory service. This includes the online provision of updates via audit and assurance, financial reporting and law and regulation sections of website. | Ongoing | Head of Technical Advisory | 4 staff at ACCA UK |
| <i>Education and Training Products</i> | | | | | |
| 52. | Current | Continue to facilitate access to CPD opportunities for members through courses and on ACCA's members' web portal. Also offer access to CPD through ACCA's professional publications, by delivery of an editorial programme which includes a programme of online technical features, which test members' knowledge and skills, and through which members may derive verifiable CPD units on successful completion of the objective testing. | Ongoing | Courses and Events Manager, Head of Professional Development, Editor of <i>Accounting and Business</i> and Heads of Offices outside the UK | 7 plus staff outside the UK and using many external tutors |
| 53. | Current | Support professionalisation of public sector staff in IPSAS through ACCA's globally recognised Certificate in IPSAS, working directly with public sector bodies and indirectly through donors to increase the number of public sector accountants with IPSAS proficiency. | Ongoing | Head of Public Sector, Head of Specialist Solutions | 2 staff |

Action Plan Subject: SMO 6–Investigation and Discipline
Action Plan Objective: Operate ACCA’s Investigation and Disciplinary Scheme in the Public Interest

Background:

ACCA devised its investigation and disciplinary scheme many years ago, based on an assessment of members’ conduct against its Code of Ethics and Conduct.

ACCA’s investigation and disciplinary scheme is made up of three departments – the Assessment Department, the Investigations Department and the Adjudication Department.

Complaints that appear to indicate misconduct and/or relate to audit or investment business are processed in the normal manner by an administration officer who assigns the complaint straight to the Investigations department for review by an Investigations Manager.

All remaining complaints are processed through the Assessment Department, whereby complaints undergo an assessment for their suitability for conciliation or investigation. The conciliation service sits within the Assessment Department.

The Adjudication department lists and progresses the complaint from the point at which it is referred to the Disciplinary Committee from the Investigations department.

Details of ACCA’s investigation and disciplinary scheme are available on ACCA’s website and are sent to members and complainants at appropriate stages:

- ACCA Rulebook;
- Guidance material for members and complainants;
- Guideline Disciplinary Sanctions;
- Types of complaint ACCA will investigate; certain types of complaint are not investigated as a matter of policy, in order to ensure that the scheme’s resources are utilised as efficiently as possible in the public interest.

All members, firms, affiliates and registered students are bound by the bye-laws and regulations set out in ACCA’s Rulebook. Bye-law 7(d) sets out the relationship between ACCA and its members, firms, affiliates and students to whom the Charter and bye laws and applicable regulations apply shall be governed by the law of England and Wales.

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|--|------------|--|-----------------|---|--|
| <i>New and Continuing Developments</i> | | | | | |
| 55. | Ongoing | Provide a Conciliation Service as part of the scheme, to enable disputes between members and complainants to be resolved swiftly. This allows for any minor breaches of regulations to be dealt with through Alternative Dispute Resolution rather than referring the matter to the Investigations department. | Ongoing | Head of Assessment | 4 administrative staff fielding initial telephone enquiries 4 staff in the Conciliation Service |
| 56. | Ongoing | Operate a Regulatory Board with a lay majority to provide internal oversight of ACCA's disciplinary and regulatory activities. | Ongoing | Executive Director - Governance | 8 staff |
| 57. | Ongoing | Report to ACCA's Regulatory Board, the Financial Reporting Council's Professional Oversight Team in the UK and other statutory oversight bodies on the operation of the scheme. | Annually | Head of Assessment, Head of Investigations, Head of Adjudication, Director – Regulation | 11 staff |
| 58. | Ongoing | Publish the result of cases. | Ongoing | Hearings Manager | 10 staff 1 dedicated Admin Officer deals with this |
| 59. | Ongoing | Maintain an outsourcing fund and list of external firms in order to deal with any spikes in complaints which exceed internal investigation resource capacity and/or spikes in relation to Case Presentation resource capacity. | Ongoing | Head of Investigations, Investigations Managers, Head of Adjudication, Case Presentation Manager | 4 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|-----|------------|---|-----------------|--|--|
| 60. | Ongoing | Maintain a case management system and a centralised database, as a record of cases and of all actions taken in relation to those cases and for management reporting purposes. | Ongoing | Head of Assessment, Head of Investigations, Assessment Manager and 3 Investigations Managers | The Assessment department and the Investigations department have a combined headcount of 27 |
| 61. | Ongoing | Maintain a database for the management of throughput of hearings in order to monitor listing times, and other scheduling data for internal and external reporting. | Ongoing | Head of Adjudication, Hearings Manager | The Hearings Team currently has a headcount of 10. The Hearings Team is currently responsible for the data base maintenance with a dedicated Admin Officer responsible for systems administration. |
| 62. | Ongoing | Independent Legal Advisors to regulatory and disciplinary hearings were introduced from 1 January 2013. | Ongoing | Head of Adjudication | Hearings Manager 16 Legal Advisors and 61 panel members |
| 63. | Ongoing | Procedures are assessed on an on-going basis for compliance with the requirements of SMO6 (as revised November 2012), particularly when any changes are introduced to ACCA's disciplinary arrangements. | Ongoing | Head of Assessment, Head of Investigations, Head of Adjudication | 8 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|---|------------|---|-----------------|--|---|
| <i>Maintaining Ongoing Processes and Services</i> | | | | | |
| 64. | Ongoing | Keep ACCA's scheme under continual review to ensure compliance with the Human Rights Act, natural justice and best practice. Revise once a year as required. | Annually | Head of Assessment, Head of Investigations, Head of Adjudication | 7 staff |
| 65. | Ongoing | Revise ACCA's Code of Ethics and Conduct as necessary and publish in ACCA's Rulebook. | Ongoing | Director – Regulation | 4 staff |
| <i>Education and Training Products</i> | | | | | |
| 66. | Ongoing | To help members comply with the Rulebook, continue to facilitate access to CPD opportunities for members through courses and on ACCA's members' web portal. Also offer access to CPD through ACCA's professional publications, by delivery of an editorial programme; which includes regular technical features linked to online tests which test members' knowledge and skills, and through which members may derive verifiable CPD units on successful completion of the objective testing. | Ongoing | Head of Professional Courses, Head of Professional Development, Editor of <i>Accounting and Business</i> and Heads of National Offices outside the UK | 14+ including staff outside the UK and using many external tutors |
| 67. | Ongoing | Write articles for ACCA's member and student magazines on common professional conduct breaches and how to avoid them. | Ongoing | Head of Assessment, Head of Investigations, Head of Adjudication, Editor of <i>Student Accountant</i> , Editor of <i>Accounting and Business</i> | 4 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|----------|-------------------|---|------------------------|--|-----------------|
| 68. | Ongoing | Liaise with internal technical advisers to publish factsheets on technical areas which are common features of complaints. | As required | Head of Assessment, Head of Technical Advisory, Head of Standards | 4 staff |

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Continue to Support and Encourage the Financial Reporting Council in the UK and the European Union to Adopt New and Revised International Financial Reporting Standards (IFRS)

Background:

In the UK financial reporting standards are set by the Financial Reporting Council and in the European Union by the Commission. ACCA's policy position has been to support the adoption of IFRS in the UK and the EU, most recently with the convergence of UK standards with IFRS for SMEs. In addition, ACCA has supported adoption in many other countries around the world and the majority of ACCA members are located in countries that have adopted, or substantially converged with, IFRS.

The ACCA professional qualification has used IFRS since 1996 and ACCA offers a diploma in IFRS and certificates in IFRS and IFRS for SMEs. ACCA has undertaken many development projects to aid adoption or proper implementation of the standards. ACCA takes part fully in the consultative process and in research to develop improved standards; and has supported ongoing understanding and application of IFRS by providing information on IFRS and supporting relevant CPD among our members.

For detailed information regarding ACCA's qualifications, support and resources for IFRS, please visit the website (www.accaglobal.com).

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|---|------------|--|--|-----------------------------|----------|
| <i>Work on the Adoption and Development of IFRS</i> | | | | | |
| 70. | Current | Continue to work in the UK and Europe on the adoption of new and revised IFRS, including IFRS for SMEs. | The EU has adopted IFRS for listed companies. In the UK and Ireland, the FRC's standard for other companies (FRS102) has converged with IFRS for SMEs. | Head of Corporate Reporting | 2 staff |
| 71. | Current | Continue to respond to International Accounting Standards Board (IASB) Exposure Drafts of Standards and other statements. | According to IASB timetable | Head of Corporate Reporting | 2 staff |
| 72. | Current | Continue to solicit the views of members through ACCA's website, ACCA's Corporate Reporting Global Forum and targeted members surveys. | According to IASB timetable | Head of Corporate Reporting | 2 staff |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|---|------------|--|---|--|--|
| 73. | Ongoing | ACCA works with other national regulators and standard setters on the adoption and implementation of IFRS or convergence with IFRS. In the past this has involved donor agency projects in Asia, Africa, Russia and the Caribbean. | According to project timetables | Head of Corporate Reporting, Market Director – Partnerships & Recognition | 3 staff plus internal and external experts |
| <i>Maintaining Ongoing Processes and Services</i> | | | | | |
| 74. | Ongoing | Continue to publish details of IASB pronouncements through ACCA's journal <i>Accounting and Business</i> . Deliver a programme of contemporary, relevant, accounting and business related articles in its professional publications, and by electronic transmission, and internet, to enable its members to take an informed perspective on the profession, and the business and technical matters which inform and shape its development. | The journal is published ten times a year | Editor of <i>Accounting and Business</i> | 3 staff |
| 75. | Current | Continue to facilitate access to CPD opportunities for members through courses and on ACCA's members' web portal. Also offer access to CPD through ACCA's professional publications, by delivery of an editorial programme which includes a programme of online technical features, which test members' knowledge and skills, and through which members may derive verifiable CPD units on successful completion of the objective testing. | Ongoing | Head of Professional Courses, Head of Professional Development, Editor of <i>Accounting and Business</i> and Heads of Offices outside the UK | 14+ including staff outside the UK and using many external tutors |
| 76. | Ongoing | Highlight technical and business changes and developments including comment, analysis, updates and assistance through ACCA's technical advisory service. This includes the online provision of updates via financial reporting and law and regulation sections of website. | Ongoing | Head of Technical Advisory | 5 staff at ACCA UK plus advisory and technical staff in national offices |

| # | Start Date | Actions | Completion Date | Responsibility | Resource |
|--|------------|--|--|------------------------------|----------------------------------|
| 77. | Current | Continue to commission research on topical issues relating to IFRS. Recent studies in ACCA's international research programme have explored, for example, the accounting and reporting of R&D expenditure by companies using IFRS and a companion guide for not-for-profits to use the IFRS for SMEs. Other recent research-led activity includes surveys of CFOs and investors on global standards and how they are using annual reports. | Ongoing | Head of Corporate Reporting | 2 staff and external researchers |
| <i>Education and Training Products</i> | | | | | |
| 78. | Ongoing | Continue to base ACCA's international stream syllabus financial reporting exams on IFRS and update the syllabus annually. | Publish changes in <i>Student Accountant</i> every March and September | Head of ACCA Qualification | 4 staff |
| 79. | Current | Continue to offer ACCA's Diploma in IFRS, and the Certificate in IFRS. These awards are also offered in Spanish. | Ongoing | Head of Specialist Solutions | 1 staff |
| 80. | Current | Continue to offer ACCA's Diploma in IFRS in Russian and commence delivery of a Russian Language Advanced Diploma that includes a Financial Reporting Exam equivalent to ACCA's Applied Skills. | Ongoing | Head of Specialist Solutions | 1 staff |
| <i>Review of ACCA's Compliance Information</i> | | | | | |
| 81. | Ongoing | Perform periodic review of ACCA's response to the IFAC's Compliance Self-Assessment questionnaires and update sections relevant to SMO 7, as necessary. Once updated, inform the IFAC compliance Staff about the updates in order for the compliance Staff to republish updated data. Notify updates to IFAC's Compliance Self-Assessment and any update to SMO 7 as necessary. | Ongoing | Head of Corporate Reporting | 2 staff |

10 June 2019

Alta Prinsloo
Executive Director, Quality & Development
International Federation of Accountants
529 Fifth Avenue
New York
NY 10017
USA

Dear Ms. Prinsloo,

Subject: Letter to Confirm Institutional Support for the SMO Action Plan

This letter is to confirm that the leadership of the Association of Chartered Certified Accountants (ACCA) has reviewed the information contained in the SMO Action Plan prepared by the Association of Chartered Certified Accountants (ACCA) as part of the IFAC Member Compliance Program and will provide institutional support for its implementation.

On behalf of the leadership of Association of Chartered Certified Accountants (ACCA), I endorse publication of the SMO Action Plan on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

Sincerely,



Robert Stenhouse, President

Association of Chartered Certified Accountants (ACCA)

15/6/2019

(Date)

ACCA



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