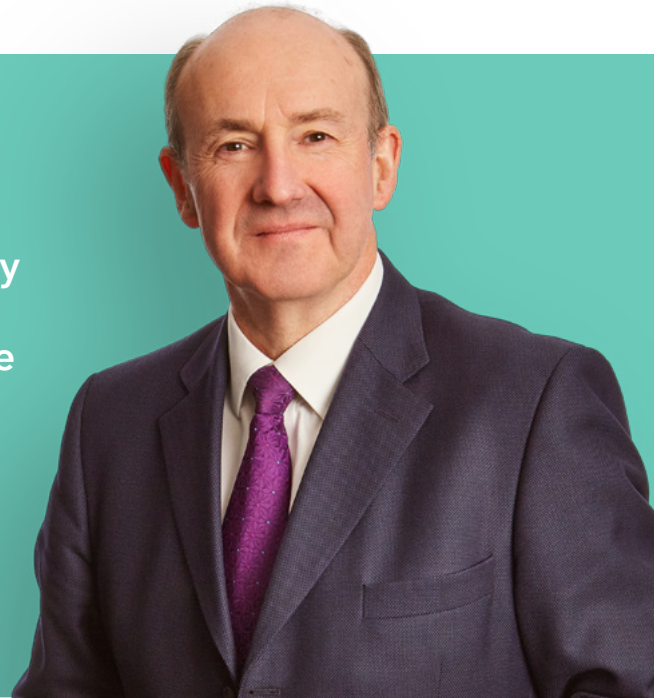


CHIEF EXECUTIVE'S FOREWORD

"I reflect with pride on everything our institute has achieved during my 18 years in the role, and would like to express my gratitude to everyone I have worked with and who has supported me."

Michael Izza FCA
Chief Executive
to 31 March 2024



When we set out our 10-year strategy in 2020, we anticipated a decade of change, but the succession of shocks and surprises delivered in the first four years has been quite extraordinary. Our world continues to be shaped by the profound consequences of the pandemic, even as we struggle to understand the implications of a chain of geo-political crises around the globe.

I am proud that our members have helped millions of businesses navigate another difficult year.

As their institute, our top priorities have been supporting them in that vital task, representing and amplifying the contribution they make to society and the economy, and working to secure for the profession a sustainable pipeline of talent for the future.

On that last point, 2023 saw another record ACA intake, with 12,225 students worldwide taking up our flagship qualification. We also began the process of evolving the ACA, to ensure it equips the next generation of ICAEW Chartered Accountants with the skills and the strengths to succeed in tomorrow's workplace.

We also achieved another year of impressive growth in our global membership, which reached 169,722.

In this Annual Report you will read how our members are providing leadership on some of the most significant challenges facing our planet.

This has not gone unacknowledged: recent research shows that trust in our profession (and in ICAEW specifically) has increased, and that chartered accountancy is one of only two professions to see an uplift in trust globally. This work was undertaken through Chartered Accountants Worldwide (CAW), which has now grown to 16 chartered bodies working together to advance the profession. Our collaboration with other accountancy bodies - through CAW, the Global Accounting Alliance and, in the UK and Ireland, the Consultative Committee of Accountancy Bodies - remains an important part of our reputation and influence activity.

As part of maintaining and building trust, in 2023 we introduced a new approach to the continuing

professional development of ICAEW members, basing the requirements on the complexity of their work and its potential impact on the public. We also advanced our focus on ethics, including the launch of our new Ethics Learning Programme.

Our partnership with CIPFA accelerated in 2023, bringing our two organisations ever closer and mirroring how all parts of the economy - business and industry, government and public services, and the third sector - increasingly interact.

We continued to show leadership on the sustainability agenda and the road to net zero: a personal highlight for me was attending COP28 in Dubai. The keen interest in our events and the quality of the discussions reinforced just how critical our profession is to achieving the global transition to net zero. Our immediate goal is to build capacity in the profession to help enable this, and our partnerships with the Capitals Coalition and A4S will help support this work.

Technological change will also have far-reaching implications for our profession, and for every business or organisation our members



work in and with. Our work in this area in 2023 included launching our generative AI guide and our research into the technology landscape for mid-tier firms. ICAEW's investment in Engine B has been a central component of our strategic ambition that the profession "master tech and data" and by the end of the year several accountancy firms had adopted the product and many more were demonstrating real interest in using co-pilots in their business.

All this success means that financially, ICAEW remains in a position of strength. Our year-on-year operational income increased to £130.2m, with a net result after tax of £10.0m. Although expenditure was heavily impacted by inflationary pressures on salaries and other supplies, together with headcount required to progress our strategy, we continued to grow our net assets, which stood at £183.1m at the end of the year.

Because of the funding arrangement currently in place, our financial statements can be materially affected by the activities of FRC conduct committees. In 2018, Sir John Kingman's Independent Review of the FRC proposed moving responsibility for funding case costs away from the recognised professional bodies and onto a statutory footing. Little progress has been made on this since then, but it remains a change that we would welcome and support.

As in previous years, the individuals featured in this report are just some of those who are helping us shape the future, through their knowledge, skills and insight. We thank all of them.

We are also extremely grateful to all our volunteers around the world for their contributions, on our boards, committees and in a variety of other roles. The generous donation of their time, effort and

talent enables us to continue supporting and representing our members to a high standard, and is fundamental to ICAEW's continued success and profile.

2023 marks my final full year serving as Chief Executive of ICAEW. I reflect with pride on everything our institute has achieved during my 18 years in the role, and would like to express my gratitude to everyone I have worked with and who has supported me.

I wish the utmost success to my successor, Alan Vallance, who I know will continue to lead ICAEW from strength to strength as we head towards our 150th anniversary in 2030.



Michael Izza FCA
Chief Executive

