



Trusted Professionals.
Shaping the Future.

Annual report and
financial statements 2025



Front cover image: Christine Kinnear CA;
Andrew Graham CA

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Louise Page CA

Welcome from our outgoing CEO

As outgoing CEO Bruce Cartwright CA retires, he reflects on a year that focused on supporting the profession through uncertain times and handing over the reins to new CEO Gail Boag.

In 2024 we delivered an industry first, future-focused Chartered Accountant (CA) syllabus and training experience, and by the end of 2025 our students had successfully completed courses and assessments at all three new syllabus levels.

Those training advances were central to us being named Accountancy Body of the Year at the 2025 PQ magazine awards in April. The judges praised our market-leading approach and our leadership in shaping the future of the profession. We were further recognised at the 2025 Learning Technologies Awards in November. These achievements are thanks to teams across ICAS who continuously work to make our digital learning more engaging, effective and relevant

The influence of new technologies and the changing shape of the profession were driving factors behind the redesign of our CA syllabus and remained key considerations throughout 2025. As the increased use of AI has shaped the work of our members and firms, we once again shaped the debate, discussed the challenges and highlighted the opportunities for CAs.

We established a new AI and Data team to transform how our students learn, how our members develop, and how we strategise – whether that’s supporting people with AI-powered tools or enabling decisions at scale through intelligence-driven systems.

To aid more focused delivery of our strategy, we restructured several of our business centres. We created a new Professional Standards centre, to better align our Regulation, Practice Support and Quality & Standards teams. We also recruited a new Director of Marketing to enhance the focus on growing our customer base.

Through our Shaping the Profession programme, we launched an interactive research report which looked in-depth at the future of the accountancy profession. More than half of our members who took part in the survey (54%) believed that the use of AI and technology are the biggest opportunity for the profession.

At ICAS we take a similarly optimistic view of the future. As I noted in March, in my response to comments attributed to a former Chancellor of the Exchequer, AI will ultimately enhance rather than replace the Chartered Accountant’s skillset.

Trust is a keystone of ICAS and what it means to be a CA and was another central theme of our Shaping the Profession survey. It found that overall trust in the profession sits at 66% and that accountants’ professional expertise is a key driver of that trust.



These results were reinforced by separate research conducted by Edelman DXI for Chartered Accountants Worldwide. The biennial Trust Survey found that Chartered Accountants are Scotland’s most trusted professionals, with 87% of senior business and finance decision-makers saying they trust CAs “to do the right thing”. ICAS was called out in the survey report for the steps we are taking to grow trust and ensure the next generation of accountants are prepared to navigate AI-related challenges and other non-financial risks with an ethical mindset.

The topics of technology and trust combined at our Annual Conference in London, where we explored the future of finance and business through a focus on ethical leadership in an AI-driven world. The Conference brought together business leaders, policymakers, and CAs to tackle the biggest challenges facing the UK economy, from fiscal policy to innovation and sustainability.

Of course, our members aren’t alone in navigating the ever-changing professional landscape and impacts of technological change, political shifts and climate change. The accountancy industry worldwide is going through a transformative phase, and it’s at times like these that collaboration between the various global member bodies, like ICAS, gains particular importance.

In 2025 I was very proud to be appointed as new Chair of the Global Accounting Alliance (GAA). The GAA serves as a forum for 10 of the world’s leading professional accountancy bodies and represents over 1,400,000 accountants in more than 180 countries. It plays a vital role in fostering global collaboration while advocating for international issues to support the advancement of the profession. On my retirement I will hand the baton to Gail Boag, as the new CEO to continue this important work.

Through our active role in bodies like the GAA, Chartered Accountants Worldwide, Accountancy Europe and IFAC (International Federation of Accountants) we continued to advocate for increased collaboration and to maximise impact by speaking as a unified global voice.

We continued to deliver strong financial results in 2025, returning to a financial surplus as expected following the completion of the 2030 strategy programme.

Consolidated net profit for 2025 is £0.5m compared to the £1.4m loss in 2024 reflecting the strategic investment in that year. Turnover grew by £1.8m in 2025, mainly driven by completion of the first full cycle of the new syllabus of our CA qualification and the subscription fee increase combined with strong membership renewal rates.

Consolidated net assets grew by £1.8m to £8.8m at the end of 2025. The main movement being the valuation of the pension scheme assets.

Total income	£21.3m
Operating profit before strategic investment	£0.2m
Consolidated profit after tax	£0.5m
Net Assets	£8.8m

In May I informed ICAS Council that I intend to stand down as CEO in April 2026. After eight years, I felt the time was right for me to pass the baton to a new CEO, and I know Gail is the right person for the job. During my time as CEO, ICAS transformed into a modern professional body with a strong strategy and a bright future.

All ICAS’ achievements in 2025, and over my tenure as CEO, have been a true team effort and I would like to thank all my colleagues, our Council members, Office Bearers and all members who have helped drive ICAS forward.

Bruce Cartwright CA
ICAS CEO

Introducing our new CEO from 2026

New ICAS CEO, Gail Boag, outlines a bold and exciting next chapter in ICAS' future, focusing on growth, amplifying the relevance and importance of the profession, and enhancing membership value.

As I step into my new role as Chief Executive of ICAS, the organisation is in a strong position, thanks in large part to the leadership of my colleague and outgoing CEO, Bruce Cartwright CA. I would like to personally thank Bruce for his stewardship over the past eight years. As the new CEO, I'm excited about what we can achieve, now and in the years ahead. ICAS has a proud heritage as the world's oldest professional accountancy body, and central to that legacy is our ability to adapt, lead the profession from the front and remain relevant in an ever-changing world. And of course, our public-interest remit remains at the heart of all we do.

With that agility in mind, the core theme for 2026 will be growth. We will continue our excellent work in strengthening our global presence, reaching an ever-growing audience, and showcasing the ICAS brand and the value Chartered Accountants contribute to wider society daily.

Our work will focus on growing the pipeline of future talent into the profession. Key to this will be expanding our portfolio and pathways to widen access to the profession and position ICAS as a

lifelong career partner. We will continue to evolve our new CA qualification and delivery model, which we launched in 2024, so it remains relevant and aligned to the needs of business and wider society.

We will continue to support the ongoing work delivered by [ICAS Cares](#) and the [ICAS Foundation](#) to reduce barriers, widen access, improve diversity in the sector, and support our students and members in times of need.

We remain committed to providing value to our members by deepening our relationship through personalisation of the membership experience, inclusive communities and unrivalled service delivery.

In 2026 and beyond, we will reinforce ICAS' leadership and influence within the profession, providing thought-leadership and authoritative guidance on the issues that matter and affect our members. These include sustainability, the impact of AI, ethical leadership, and examining the future of accountancy through our ground-breaking [Shaping the Profession programme](#). We'll also build on the technical support and guidance our members need to do their jobs.

At the heart of all of this is trust. We act in the public interest, lead from the front in ethics and provide regulation and practice support with a focus on improvement and adding value. None of this would be possible without trust in our profession. As Bruce notes in his welcome, trust in CAs is high; our focus will remain on how we can further improve and amplify this important benchmark.

Looking at our 2030 Strategy, we now enter phase two, with a focus on driving transformational change inside of ICAS and out. These improvements will allow us to better serve our students, members and firms by using technology, AI and so much more. This will make sure that ICAS continues to not only keep pace with change, but to lead it. The new CA syllabus was just the start. Now we expand that

transformation to improve the experience for students, members and firms.

We're a people-centric organisation, supporting a people-centric profession. Despite our comparative small size in a market of giants, ICAS continues to punch well above its weight, and that's in no small part thanks to the people that work at ICAS. Through further embedding ICAS values, strengthening our leadership capability, and making sure that our people, their development and performance are strategic priorities, we will extend our global impact on the profession, business and wider society.

Gail Boag
ICAS CEO



Our President's view of 2025

ICAS President for 2025–26, Karen Scholes CA, reviews her highlights of a year that focused on new talent and the profession's bright future.

I was named ICAS President in April 2025 and became the sixth woman to hold the role in ICAS' 171-year history.

I am extremely proud to be President of, and able to give back to, the organisation that has been integral to my career and is integral to the careers of the tens of thousands of ICAS members worldwide.

A profession with a bright future

A common theme that has connected my presidency with that of my predecessor, Alison Cornwell CA, is the importance of attracting the brightest school leavers and graduates into accountancy – efforts that are crucial when our profession is facing a growing talent shortage.

I met much of the new talent that's already in our ranks at ICAS' second UK-national induction day. The Edinburgh International Conference Centre was buzzing with enthusiasm and positive energy and it was impossible not to come away with an optimistic view of our profession's future.

My optimistic outlook was further bolstered by sitting on the judging panel of our [CA Rising Stars competition](#). It showcased the top 35 CAs under 35 in categories including Changemaker, Ethical Leader and Innovator. Choosing the winners was no easy task and brought home the true depth of talent and ambition within ICAS' global business network.

Sadly, due to socio-economic factors, not all talent is able to rise to the top. Only around 20 per cent of professionals in fields like accountancy come from working-class backgrounds. That's why throughout 2025 I actively advocated for the ICAS Foundation and the important role the charity plays in widening access.

Most of the young people on their Nurturing Talent programme come from households with an annual

income of less than £20,000. They're given financial support, a long-term mentor and career-development opportunities.

In 2025 the Foundation passed a significant landmark with their 100th alumni starting a CA training contract, and nine of their alumni were admitted to ICAS membership during the year. You can read more about their [2025 success stories here](#).

The professional skills of the future

My own career as a CA has witnessed a range of advances, from Excel spreadsheets to cloud-based accounting software and now AI. Of course, the latter is impacting the wider world and not just accountancy and was therefore a common talking point in my many conversations with ICAS members at events through the year. It was also front and centre in the programme of our [Annual Conference](#) in November. As I said to delegates on the day, it can be easy to buy in to the pessimist's view of the future and what AI means for our profession. But at ICAS we've been preparing for this new age of accountancy, business and finance. Our CA syllabus is empowering the next generation of business leaders to understand that new technology is their opportunity and to approach it with an optimistic outlook and an enquiring mind.

Of course, embracing the opportunities of AI and showcasing the positives will also help in our efforts to attract new talent. And the same can be said for sustainability. It's another topic that resonates with Generation Z who are keen to find a career with a future – and one that's concerned with the future of the planet.

I felt that resonance firsthand in October when I was a guest lecturer at the University of Aberdeen. My message to the undergraduate students was how accounting and sustainability go hand in hand: accountants can be a positive influence whether by scrutinising a supply chain or making informed decisions about investing in a business. It's a connection that many of them hadn't previously made and they were keen to hear that sustainability is a key theme throughout our CA syllabus.

Taking ICAS from strength to strength

My presidential term has coincided with an important period of change at ICAS. As Bruce notes in his CEO's Welcome, he's retiring from his role in January 2026. He must be congratulated for, and proud of, the direction in which he's taken ICAS over his eight years in the role, and the positive change he's delivered.

I was involved in the recruitment process for our new CEO and can attest that Gail Boag was absolutely the best candidate. Her drive and strategic vision will ensure that ICAS can build on Bruce's legacy and that it has an extremely bright future ahead.

For that future, I wish my fellow CAs, our Office Bearers, Council members and ICAS colleagues all the very best.

Karen Scholes CA
ICAS President 2025/26



Who we are

24,672
members

+380 since 2024

3,997
students

+14 since 2024

577
members involved in
mentoring programme

+100 since 2024

2.69m
Impressions across
all social channels

+1.43m since 2024

44,419
Followers across all
social media channels

+3,930 since 2024

83,538
Clicks on all social
media posts

+11,523 since 2024

17,745
Engagements across
all social channels

+2,216 since 2024



61.3%
male members



36.4%
female members

Members in industry

11,194

Members in practice

5,927

Members on all our Boards,
Committees and Panels

336



2,714
Number of regulatory
licences

68

total number of
conferences and
events

19.6%
memberships over 40 years

Where our members are:

50.3%

located in
Scotland

38.1%

in the rest
of the UK

11.5%

working
overseas

12

new committee
members to our
Area Networks and
9 newly appointed
international
ambassadors



89
Members' stories
featured in CA magazine

24

total number of
webinars/online
events

6,359

delegates attending
events (including
webinars)

Thank you

We would like to take this opportunity to thank all our volunteer members who supported the ICAS team throughout 2025.

We have over 300 member volunteers who give up their time and expertise to serve on our boards, panels and committees and we're extremely grateful for their support and guidance.

We operate a strong member and colleague partnership which demonstrates our commitment to our values of being team spirited, proudly committed and smart working.

ICAS Council members:
David Cruickshank CA;
Elizabeth Gammie CA;
Bruce Beveridge,
Public Interest Member



Our vision, purpose and values



Vision: To empower trusted professionals to create a better tomorrow

Our members perform at the forefront of ethical and sustainable business. Educated, regulated and led by the highest standards of ethical leadership, they are at the top of their game. Trusted professionals, they transform business and support one another for the greater good.

Purpose: Uphold ethics. Cultivate trust

As the world changes, the importance of doing the right thing does not. We 'seek the truth' and have done since 1854. As ethical leaders, the business community looks to us and our members to uphold standards and cultivate trust in everything we do.

Values:

These are the three values that align with our actions. They drive our brand and shape our culture. We live these values through all interactions:

- 1 Team spirited:**
Hold people in high regard.
Trust and be trusted.
Be kind.
- 2 Smart working:**
Innovate with purpose.
Embrace change.
Be responsible.
- 3 Proudly committed:**
Give our best.
Do the right thing.
Be proud to care.

2025 highlights at a glance

In 2025 we progressed on our 2030 Strategy journey and continued to deliver high-quality support and services to our members, firms and students.

Our voice



Spoke out on key issues including taxation and the UK Autumn Budget.

Achieved a media reach of **61m** online views.

Customer-centric



Launched a new, more user-friendly website.



Responded to over **28,256** enquires.

Regulation

Undertook **195** monitoring visits and thematic reviews.

Granted **2,741** new regulatory licenses.

Media

Increased our overall media coverage by **37%** year on year.



Almost a quarter of our media coverage was with Tier 1 (UK national) publications.

Achieved a potential media reach of **920m** people.

Future of the profession



Supported the ICAS Foundation in welcoming **49** new students from low-income households onto their Nurturing Talent programme.



370 students attended our second national induction day in Edinburgh.



Awarded Silver accreditation from Investors in Diversity.

Attended and delivered

42

careers fairs and recruitment events.

Events

92 events to over **6,359** delegates.

Welcomed delegates to our Annual Conference in London.



Held bespoke conferences on practice and insolvency.

Celebrated **353** newly qualified CAs at our Admission Ceremony.



Sustainability



Hosted our third Sustainability Summit.



Earned a Silver Medal sustainability rating from EcoVadis.



We completed our climate disclosure through CDP – and scored a 'B'.



Our emissions targets were validated by the Science Based Targets initiative (SBTi).



2030 strategy

Our strategy, ‘ICAS 2030: Together we will...’ is our roadmap for delivering an exciting and ambitious future for ICAS and our members and students. The strategy identifies five pillars to deliver our vision and fulfil the purpose of ICAS.

1. ICAS advantage

We’ll address the war for talent through a continually evolving CA syllabus that keeps pace with advances in tech, data and sustainability. By embracing digital technology we’ll deliver flexible, career-long learning opportunities. We’ll inspire the next generation and encourage diversity in our student intake. Our high-quality teaching will equip our students for future success. And by developing new qualifications and creating opportunities for social change, we’ll create new opportunities to diversify our membership base.

2. Sustainability at our core

We’ll lead on key sustainability issues and embed sustainability across our syllabus and training courses and continuing professional development (CPD). We’ll embrace our Net Zero future and place equality, diversity and inclusion at the heart of everything we do. We’ll drive social change by supporting talent from less-advantaged backgrounds and growing the reach and capability of the ICAS Foundation. We’ll create a sustainable, future-looking, 21st century professional body that continues to invest in our vision and the profession.

3. Leading-edge customer experience

We’ll delight and inspire our members to be proud of their ICAS membership and to recognise the value of their CA qualification. We’ll create strong and sustainable relationships and networks to help our members thrive. By listening to our members and students we’ll deliver the products and services they want and need. We’ll provide support from studying through to retirement, providing a career-lifespan of connections, value and assistance.

4. Trusted regulation

We’ll promote trust in the profession through excellence in regulation and by fulfilling our Royal Charter obligations to act in the public interest. We’ll continue to demand the highest standards of those we regulate. Our regulatory processes will evolve and become more efficient without sacrificing their effectiveness and always ensuring that our focus is risk-based and proportionate. Through thought leadership and influence, we’ll shape the future regulation of the profession. And we’ll do so across all regulatory frameworks, ensuring that oversight arrangements are proportionate, sustainable, future-ready and reflect the principles of modern regulation.

5. Ethical leadership

We’ll be bold in our influence and ensure that our voice is strong, respected, valued and sought by stakeholders. Everything we do will be in the public interest and deliver on the commitments defined by our Royal Charter obligations. We’ll continue to build a strong and valued brand for ICAS and our CA qualification. We’ll ensure that we’re globally trusted to set and enforce consistent standards for the profession. And by speaking out on the issues that matter to our members, we’ll champion positive change.



Caption

Supporting the United Nations Sustainable Development Goals

The 17 UN Sustainable Development Goals (SDGs) are a framework for achieving a better and more sustainable future. They help to guide governments, businesses, and organisations like ICAS, to support action to tackle the world's most pressing issues, including poverty, inequality and climate change. Each year we review our progress to make sure we are continuing to support those SDGs that are most relevant to us and against which we can make a material impact. These contributions are marked in each section of commentary where relevant using the goal tiles.

<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>4 QUALITY EDUCATION</p>	<p>5 GENDER EQUALITY</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>10 REDUCED INEQUALITIES</p>
<p>Goal 3 Good Health and Well-being</p>	<p>Goal 4 Quality Education</p>	<p>Goal 5 Gender Equality</p>	<p>Goal 8 Decent Work and Economic Growth</p>	<p>Goal 10 Reduced Inequalities</p>
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>13 CLIMATE ACTION</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p>	
<p>Goal 12 Responsible Consumption and Production</p>	<p>Goal 13 Climate Action</p>	<p>Goal 16 Peace, Justice and Strong Institutions</p>	<p>Goal 17 Partnerships</p>	



The ICAS advantage

In 2025 we developed new pathways to the CA qualification and continued to evolve our CA syllabus and training experience, to keep our members at the forefront of business, finance and accounting.

Throughout 2025, the market-leading CA syllabus and training experience we launched in 2024 continued to evolve to meet the demands of the ever-changing business and professional landscape.

Significant updates were made across the syllabus to align with IFRS 18, enhancing students' understanding of the new presentation and disclosure requirements and improving their ability to analyse and confidently communicate financial results. We introduced four new modules on generative AI to our Data, Risk and Technology course, equipping students with the knowledge to apply emerging technologies responsibly and effectively in finance.

We continuously review the student experience across our summative assessments and in 2025 completed work to streamline the Data, Risk and Technology assessment structure. From Term 2 2026, it will move from two assessments to one, providing a clearer and more cohesive task. This change maintains the same level of rigour and learning outcomes while reducing duplication and delivering a more consistent experience.

We'll ensure that the skills of the CA remain relevant and that our members remain at the forefront of business, finance and accounting.

We also offered in-centre assessments at all three levels of our syllabus for the first time since before the Covid-19 pandemic. This was a specific request from employers who wanted their students to sit assessments in a supported, wellbeing-focused setting.

Revisions to the ICAS Code of Ethics were embedded across all levels — from onboarding through to the final-level Professional Ethics course — reinforcing our commitment to developing professionals who demonstrate sound judgement and ethical leadership.

Our commitment to future-proofing the profession through our syllabus and evolving our training experience was praised by the judges of the 2025 PQ magazine awards, who named ICAS



ICAS students



Charles Scott prize winners

Accountancy Body of the Year. And we were recognised at the Learning Technologies Awards 2025 for our digital learning platform and content — strengthening our position as leaders in professional education.

Widening access to the profession

We continued to open new pathways into the profession and make the CA qualification more accessible, flexible and inclusive. These new pathways encourage diversity and drive social mobility in all target groups, from school leavers to professional entrants, supporting those who may not have known a CA career was an option for them.

We expanded our Scottish Graduate Apprenticeship programme into Scotland’s Central Belt. Delivered in partnership with the award-winning Robert Gordon University, the flexible, government-funded scheme enables apprentices to earn while they learn and gain a BA (Hons) Accounting degree whilst working towards our CA qualification.

We developed and launched an MA Hons in Professional Accountancy in collaboration with Heriot Watt University to create a new streamlined way to become a Chartered Accountant. The course will be offered at both Heriot Watt’s Edinburgh and Dubai campuses.

We also accredited The Open University’s BSc Accounting and Finance degree — the first time we have formally recognised a distance-learning programme — and accredited Wrexham University/Prifysgol Wrecsam with two BSc accounting and finance degrees — the first time we have formally recognised a Welsh higher education provider.

To connect school leavers and undergraduates with professional training opportunities, we attended and delivered 42 careers fairs and recruitment events, including our own online fair. Our presence in online and on-campus student spaces was further bolstered by a fresh cohort of undergraduate Brand Ambassadors.

They used peer-to-peer influence to champion ICAS as the ideal place for their fellow students to complete their professional studies.

Aimed at school leavers and graduates, our new monthly Career Conversations webinar series, featuring CA students and qualified ICAS members, provided career inspiration and a showcase for the opportunities brought by the CA qualification.

In August we awarded the 2025 Charles Scott Prize to 12 of Scotland’s most promising accountancy students in recognition of outstanding academic achievement in accountancy. Winners gained access to expert mentorship, exposure across ICAS platforms, and connections to a global CA community. The Prize is part of our commitment to championing the next generation of CAs, promoting high standards in accountancy education, and deepening collaboration with universities.

At the end of 2025, ICAS Council formally approved our plans to launch a new standalone professional qualification. Available to study in 2026, the Accounting and Business Professional (ABP) will provide a strong foundation in business, accountancy and finance, without the need to commit to the full CA qualification helping to remove potential barriers to the profession.

These new pathways don’t only benefit school leavers and graduates; they also provide new ways for all types of organisations beyond the traditional accountancy base to add the best young talent and develop world-class business and finance skills within their workforces.

Outlook for 2026

Our CA syllabus and training methods will continue to evolve throughout 2026 to maintain the ICAS advantage. By following this adaptable and agile approach we’ll ensure that the skills of the CA remain relevant and that our members remain at the forefront of business, finance and accounting.



Sustainability at our core

Through 2025 we continued to focus on sustainability, advocating for change, informing and inspiring our members and equipping the next generation for the challenges and opportunities ahead.

Sustainability continues to be a core focus for ICAS. The theme for our sustainability work in 2025 was keeping pace with the various fast-changing market developments and helping our members to do the same. Some headlines were brash and not always supportive of sustainability. However, the smart thinking continued to focus on the science and facts, and fully utilising and benefiting from the increasing knowledge and data on looming sustainability risks and opportunities.

Thanks to the publication of the revised sustainability reporting standards, 2026 will be a year of increasing clarity, with clear expectations around sustainability disclosures, in the UK and in the EU. In terms of progress in the real world, we will continue to support the UK in driving progress towards its ambitious revised Paris Agreement targets and support the ultimate ambition to be Net Zero by 2045 in Scotland and by 2050 in the UK.

Advocacy and influence

2025 included many consultations and prospects of change. While uncertainty has posed challenges for planning, we look forward to the conclusion of these discussions in 2026, and in particular to the three main UK consultations:

- [Exposure drafts: UK Sustainability Reporting Standards \(UK SRS\)](#)
- [Assurance of sustainability reporting](#)
- [Climate-related transition plan requirements](#)

We continued to support our members' understanding of what any developments mean for their businesses, with articles and signposting to quality sources.

Sustainability was a focus of many events throughout 2025, some key highlights include:

- In March, we participated in a Global Accounting Alliance (GAA) roundtable event on "[Sustainability Assurance – The role of the profession](#)" where our former CEO Bruce Cartwright CA, opened and closed the event in his role as Chair of the GAA.
- In April, we held our [third Sustainability Summit](#) in London. It featured a keynote speech by Sally Duckworth, Chair of the UK Sustainability Disclosure Technical Advisory Committee, and a strong line up of high-profile panellists from government, regulation, market initiatives, business, and investors.
- We held three workshops with ICAS members and the Department for Business and Trade (DBT) to discuss proposals for the UK's non-



ICAS Conference 2025

- financial reporting.
- We [facilitated a workshop](#) with members and DBT as well as the Department for Energy Security and Net Zero (DESNZ) to discuss the three UK sustainability consultations.
- We held a panel discussion on Making the Business Case for Social Risks at Ethical Finance Global 2025. And we held another on [How to Build a Credible and Investible Transition Plan](#), as part of the [inaugural Edinburgh Finance Festival](#) — where ICAS was recognised as a key actor and founding member institute of the Edinburgh finance ecosystem.
- At our Annual Conference in November, we held three breakout sessions on sustainability topics aligned to the conference themes of ethical business leadership, AI and the future of work, and the UK on the world stage.

Natural capital continues to be a priority space for us, which we identified through an engagement exercise with our members and the Sustainability Committee. Other priority topics for the year included: the connectivity of financial and sustainability reports, transition and decarbonisation, technology (including AI), sustainability data, as well as our ongoing commitment to sustainability reporting and assurance.

Learning and training

Sustainability training was also a continued focus:

- We updated and improved our CA syllabus, which has sustainability integrated throughout, and a Sustainability for Accountants elective.
- Our 2025 member survey results showed a positive upward tick in members' views on the importance placed in, and satisfaction of, our sustainability-related content.

Through collaboration with various membership bodies, some new tools and guidance were developed and made publicly available, including: Global Accounting Alliance's [Why nature matters to accountants](#) and Accounting for Sustainability's [Aligning financial planning and transition planning guide](#). These collaborations also facilitate sharing knowledge and concerns with peers, so that we can stand together on collective issues and work efficiently.

Leading by example

Our organisation-wide Net Zero team continued with various activities to take steps towards achieving our Net Zero goals:

- Reduce our emissions by 38% from on our baseline year of 2021 by 2030.
- Achieve Net Zero by 2045 and thereby support Scotland's Net Zero goals.

Emissions Scope	2024	2023
	Carbon (tCO2e)	Carbon (tCO2e)
Scope 1	89	131
Scope 2	-	-
Scope 3	973	1,092
Total	1,062	1,223

Note: The above table adopts the Greenhouse Gas Protocol definitions, where:

Scope 1 comprises direct emissions that occur from sources owned or controlled by the reporter. For ICAS this means the provision of heat in ICAS offices.

Scope 2 comprises indirect emissions from the generation of purchased energy. ICAS chooses a tariff and supply that is wholly made from renewable sources.

Scope 3 comprises direct emissions created as result of an organisation’s operations but are not owned or controlled by the company. For ICAS this includes several categories, with the biggest three – purchased goods and services, business travel, home working – accounting for almost 80% of total Scope 3 emissions.

- Our carbon emissions have decreased by 161 tCO2e / 13.2% from 2023, largely driven by decreases in emissions from natural gas of 42 tCO2e (31.8%), purchased goods and services of 45 tCO2e (6.2%) and business travel of 34 tCO2e (26.1%).
- Purchased goods and services remain almost two thirds of ICAS’ carbon footprint and is therefore the focus of our decarbonisation efforts. We have engaged with key suppliers who have provided, or are working on providing us with, actual emissions data to replace the spend-based estimates we have included historically. We will continue to engage with suppliers to support their decarbonisation efforts. And on an ongoing basis, we are refining our activities, policies and choices to ensure that we are making all

the incremental improvements that ICAS can practicably make to achieve our Net Zero goal.

Independent recognition

We submitted carbon and related details to several independent reporting platforms. Through their analysis and assessment, our results are in their respective top categories.

Following a thorough evaluation of our environmental, social and governance (ESG) practices, we were awarded a Silver Medal from EcoVadis, the world’s largest provider of business sustainability ratings.

This recognition placed us among the top 15% of companies assessed by EcoVadis over the past 12 months. It reflected our ongoing commitment to responsible business practices and continuous improvement in sustainability across our operations.

We received notification from the Science Based Targets Initiative (SBTi) that it had approved our decarbonisation targets as per the SBTi SME criteria assessment.

We also completed our 2025 climate disclosure through CDP (formerly the Carbon Disclosure Project), a global non-profit organisation running the leading environmental disclosure system. We joined more than 12,500 SMEs worldwide working to drive environmental transparency and change.

Our SME climate score of ‘B’ reflected strong performance and placed us at the highest level currently awarded to SMEs (Small and Medium Enterprises).

Outlook for 2026

As expectations around sustainability reporting and assurance become clearer in the UK, and in other major jurisdictions, our focus is on helping our members understand what changes they can expect and how to prepare. We will also continue to promote the underlying facts and science, along with the sound ethical and business cases behind the sustainability agenda.



Anna Logan ICAS student



Leading-edge customer experience

2025 marked a year of refinement and progress, with a strong focus on enhancing customer experience, deepening international member engagement, and building on the momentum of exceptional customer-satisfaction scores.

A new online home

In January we launched the new [icas.com](https://www.icas.com), five years after the last iteration of our online home was launched. Construction of the site took on board feedback from our members, and a key priority was to improve the user experience. In the launch of phase one, it allowed us to integrate our new brand's look and feel into a bespoke, fit-for-purpose site which is an important reference library for our members, and a key conversion point in the acquisition of new students and customers. Importantly, it provides us with the foundation for continuous improvement. The new [icas.com](https://www.icas.com) continues to perform well and is attracting 28% more users per month on average than our old site.

A commitment to excellence

As part of our ongoing commitment to improve our quality of service, we updated our technical enquires process to ensure we can manage, monitor and improve response times to members' enquiries. In 2025, the total number of enquiries we responded to was 28,256. We also continued

to build on our strong customer satisfaction score, finishing the year with a ranking of 95.9%.

Improving our student experience

Our CA student experience continued to evolve with a focus on developing support systems for those who are potentially falling behind with their studies. Following a successful pilot in 2024, we offered in-centre assessments for all levels of the CA qualification, giving students the choice to sit their assessments at home or in an ICAS centre. The pilot showed that in-centre environments have a positive effect on students' wellbeing.

We continued to challenge ourselves in terms of the speed in which we turn around assessment results, and from December 2025 offered results within 24 hours of final assessments at the Knowledge level. In addition, we offered immediate opportunities to re-sit Knowledge-level assessments, to give students peace of mind and help them to stay on-track with their original cohorts.



ICAS Conference 2025

The building blocks of growth

We focused on strengthening our organisational resilience and laying robust foundations to support our growth ambitions for 2026 and beyond. A key initiative was the concept development of our Growth Academy, to equip colleagues with the skills, capabilities and mindset required to provide a consistent leading-edge customer service. The Academy will gain further traction and expand in scope throughout 2026. In parallel, we made significant advancements in our information security capabilities, implementing next-generation technologies to further protect the business and our stakeholders.

AI enabled

We established a new, highly skilled AI and Data team to support our strategic ambitions and ensure the safe, ethical and responsible adoption of AI in an increasingly AI-enabled world. During the year, we successfully trained our colleagues to use AI with confidence, developed the curriculum to help students understand the impact of AI, and formed an AI Working Group to assess its

potential implications for the profession. All of this was underpinned by the development of a secure, scalable technology foundation, enabling the future design and deployment of value-adding solutions for our customers.

Area Networks

Our five UK Area Network Committees hosted 15 regional events based on member feedback and needs. As in previous years, some of these provided an opportunity to highlight support for the ICAS Foundation.

A focus for 2025 was to create better connectivity between our Area Networks, sharing ideas, best practice and tackling challenges. The committees replicated events and used previous experience to improve and to bolster support for ICAS Foundation fundraising.

We welcomed seven new members across our Area Network Committees, ensuring that the composition of each continues to be representative of the wider membership, with a good balance across CA employers and providing early career opportunities.

New committee representatives joined our Members Board (which oversees the work of the Area Networks and our international communities), maintaining the existing links between the Board and the committees.

International communities

In 2025 we maintained a strong focus on growing engagement in our key member territories, including transition support for members moving overseas. We delivered 28 international standalone ICAS events and partnered with other professional bodies on 10 joint events to leverage new engagement opportunities, networking and efficiencies.

Our 31 international member Ambassadors helped ICAS members to make new connections in communities across Australia, Canada, the Channel Islands, Hong Kong, Ireland, Switzerland, USA, the Cayman Islands, Singapore, UAE, and a newly formed community in Kuala Lumpur. Some regions formed committees and took on the Ambassador role in a joint capacity, which generated new ideas, collaboration and widening awareness of local networks. We also ran an international Ambassador awareness campaign from March to October, contributing to a 23% uplift in event attendance.

Our international features series returned to CA magazine, with profiles of ICAS members in Dubai, Malaysia and Toronto, to grow awareness of the benefits of ICAS' international communities and our international Ambassadors.

Early career

The annual ICAS Admission Ceremony, which celebrates new members' admission to professional membership, took place in Edinburgh in April, attended by 353 newly qualified CAs and 761 guests. The keynote speaker was Ryan Brown CA, Audit Advisor at AAB, where he spoke about

resilience, ambition, and the importance of giving back, supported by his experience with the ICAS Foundation.

CA Rising Stars and One Young World

In 2025 we introduced the CA Rising Stars showcase recognising 35 CAs under 35. The talent search attracted 80 entries, and the judging panel were highly impressed with the quality of the applications. Winners were selected for the Ethical Leadership, Changemaker and Innovators categories, as well as an overall winner, Laura Mason CA, who represented ICAS at One Young World in Munich in November.

Mentoring campaign

A year-long campaign of activity to promote the professional and personal benefits of mentoring led to steady growth in sign-ups to the ICAS Mentoring programme. We recorded a 21% increase in registered mentees and a 20% increase in registered mentors.

Outlook for 2026

As we look to the year ahead, we will continue to focus on developing our technology and people to deepen our relationship with members, students and the wider stakeholder community. A key priority is the thoughtful adoption of fit-for-purpose AI capabilities to personalise the valuable experience on our digital channels, enabling intelligent content curation and ensuring continued relevance across our diverse stakeholder base. Alongside this, we will further strengthen our networks, which bring together individuals from a wide range of backgrounds, perspectives and expertise, enhancing the diversity of skills and insight that underpin and strengthen our operations.



Ethical Leadership

Ethical leadership is central to all that we do at ICAS and covers many different areas of activity. It's about being bold in what we say and how we influence to make sure that the ICAS voice is strong, respected and valued by our many stakeholders.

Ethical leadership

Ethical leadership is central to all that we do at ICAS and covers activity in many policy areas and activity. To meet our 2030 Strategy, we need to be bold in what we say and how we influence, to make sure that the ICAS voice is strong, respected and valued by our many stakeholders. We continued this work during 2025, from building our valued brand for ICAS and the CA qualification, delivering in the public interest, providing our members with the information and tools to do their job, to influencing policy and increasing our media presence. We've advocated for members on a range of issues which impact the sector and spoken out on the issues that matter and championed positive change.

Public Affairs

A big part of what we do in public affairs, policy and communications is making sure that the voices of our members are heard where it counts. The policy landscape moves quickly, and there are decisions being made today, on everything from audit reform and public finances to tax and sustainability, which will shape the environment in which our members work in the future. Our job is to make sure the expertise from across the ICAS community reaches the people shaping those decisions.

That advocacy takes many different forms. It can be responding to government consultations and parliamentary inquiries; to sitting down with ministers, civil servants, regulators and influential thinkers to share our insights and challenge assumptions. We offer commentary when major announcements land, contribute analysis when the news cycle calls for it, and bring forward thought leadership that helps sets the agenda, rather than simply reacts to it.

We've taken part in receptions, panel discussions and roundtables. We also host and attend events too – from small dinners with parliamentarians, to tables at key occasions in the political and business calendars. These moments matter. They help build relationships, open doors and inject our members' perspectives into the wider dialogue.

We continued to engage during the year with selected MPs, MSPs and with officials in the Department of Business and Trade (DBT), the Treasury and other departments relevant to ICAS. This work included:

- a dinner with MPs in Westminster in March on the issue of better regulation and another dinner, jointly with the IoD, in November on ethical leadership.

- Discussions with relevant Ministers on audit and corporate governance reform
- Meetings with the Committee specialist working with the Business and Trade Committee.
- Participating in parliamentary committee round table sessions
- Contact and meetings with targeted MSPs and MPs
- Attendance at key dinners and events to meet political stakeholders
- Taking part in a Showcasing Scotland panel and reception in Westminster
- Hosted an ICAS roundtable event with DBT about the Future of non-financial reporting (NFR) in July

Despite DBT developing proposals to revise the definition of a PIE this issue didn't progress any further in 2025. Then in early 2026, the UK government announced that they were dropping the Audit and Corporate Governance Reform Bill, announced in the King's Speech in July 2024. This came as a major disappointment to ICAS and many in the profession. There has been widespread support for a Bill that was over eight years in the making.

The department's focus has been very much on other legislation around employment rights, and they have also turned their attention to a holistic review of corporate reporting – and we expect a consultation on Modernising Corporate Reporting in spring 2026. We will support DBT in its consultation process on this major piece of work, running workshops with member's in spring 2026.

Bruce Cartwright, continued in his role as a director of the Centre for Public Interest Audit (CPIA) following a successful formal launch of the CPIA in March.

Some of our member representatives from the Policy Leadership Board, Audit and Assurance Panel and the Business Policy Panel took part in an ICAS short-term working group on private equity in the profession. The group developed a position paper in June which was referenced in a Financial Times article, Corporate Reporting -

including Sustainability. Our third Sustainability Summit 2025 held in London in April 2025, brought members, industry leaders and UK government officials together to focus on the new UK Sustainability Reporting Standards (SRS). Delegates also engaged directly with policy makers on what the new UK SRS means for net zero delivery - from decarbonisation to financing the transition. A member of ICAS' Sustainability Committee took part on the panel, making sure the ICAS voice was heard during the debate.

In June, we brought leaders and experts together in Edinburgh for our Scotland's Fiscal Future: Tax, Growth and Public Finances event. The event featured insights from the Scottish Fiscal Commission, the Institute for Fiscal Studies, the Federation of Small Businesses and the Auditor General for Scotland, sparking a lively and forward-looking debate on Scotland's economic path.

We responded to the FRC's discussion paper on the future of digital reporting, which sets out the UK's direction post-EU exit. Our response highlighted the implications for companies filing with the FCA using iXBRL tagging, and the changes introduced by the Economic Crime and Corporate Transparency (ECCT) Act 2023.

Under the Act, Companies House can now require all companies to file digitally and plans to move to fully digital submission of annual reports and financial statements using iXBRL. Every part of a company's annual report and financial statements will need to be tagged using a full iXBRL taxonomy aligned to the relevant accounting framework.

Charities

We successfully influenced the Scottish Government's decision to raise the charity audit-exemption threshold to £1m. Our survey of 28 Scottish member firms in January 2025 showed overwhelming support for providing independent examinations under a new proposed threshold of £1m. Our evidence was shared with the Scottish Government Charity Law Team as part of their



Michael Kay CA

advice on next steps to Ministers. Our input is specifically referenced in the Government's report.

Ethics

Ethical Insights

Our insights were part of a series of conversations about ethical leadership. We combined the results of a 2024 quantitative survey with interviews from high profile ICAS members. We released these insights (total of eight) monthly from April to October, with the final insight and full report going live on World Ethics Day, on 15 October.

The Power of One

In November, we celebrated the 10th anniversary of The Power of One. As a result, we launched updated versions of the Power of One publications for 2025. We also released a news article and video to promote this. There were several social posts in December to promote the activity.

Ethical Leadership Forum

We had our Ethical Leadership Forum on 3 June 2025. This event featured Nick Wallis discussing the Post Office scandal and had two panel sessions. One on the importance of ethical culture and one on the ethical implications of new technology such as AI.

Ethical Leadership hub

We launched a new [hub](#) on the website dedicated to Ethical Leadership in April. This was in conjunction with our first ethical insight and a new Ethics Toolkit for members.

This hub provides members with tools, advice and guidance to help them maintain an ethical culture within their organisation. It also provides them to our ethics CPD page (went live in September).

Shaping the Profession

We published two major research reports this year. Our Societal Needs report, released in September, brought together both the public's and member views, gathered through surveys, focus groups and workshops on the issues of trust in the profession and what both think the

future of the profession should look like. We made this available in three accessible formats, including a two-page summary of key findings and recommendations to a full-length report.

In November, our '3Ms' research shone a light on the stigma and silence surrounding women's health and wellbeing in the profession. It revealed how experiences of menstruation, menopause and miscarriage continue to affect women's careers, and revealed that nearly three-quarters of professionals have faced discriminatory or exclusionary behaviour—evidence that cultural and policy gaps still hold back genuine inclusion. Both reports include recommendations and possible solutions.

We also published 'Climate change reporting: What do we know about its determinants and capital market consequences (2025)'.

Audit

We participated in the FRC's SME Audit Working Group which produced the draft SME Practice Note which is intended to highlight how the International Standards on Auditing (UK) can be proportionate and scalable for the audits of SMEs. We responded to the FRC's consultation on their study of the SME audit market and fed in our insights on the Scottish charities audit sector. The response also took account of the comments raised by member firms at a virtual roundtable that had been arranged at the request of the FRC on 2 April.

Outlook for 2026

Our ongoing commitment and leadership in ethics will continue in 2026 and beyond. We expect to publish our next StP research report in Q1 2026 which examines the impact of Generative AI on professional judgement in accounting.



Jessica Orr CA



Trusted regulation

Our regulatory teams play a crucial role in protecting the reputation of ICAS and the CA qualification, fulfilling our Royal Charter obligation to act in the public interest. We deliver effective and efficient regulatory functions across our licensing, monitoring, and enforcement teams, with an enduring commitment to continuous improvement.

Regulation has always been a key focus of our 2030 Strategy. Having grown our teams, we are now reaping the rewards of strong training and development programmes, with the number of monitoring visits in 2025 returning to pre-Covid levels, and positive feedback from our oversight regulators.

Evolving our processes

In addition to doing more work, we are continuing to evolve our processes to make them more efficient and effective, targeting the areas of greatest public risk. We are pleased with the results we have seen so far and will continue to drive further improvement in the coming years.

Some of the highlights from our 2025 work include:

- 166 Monitoring visits, covering anti-money laundering (AML), audit, and insolvency.
- Granting 2,714 new regulatory licences.
- Determining 67 complaint investigations.
- Introducing a more robust process for dealing with AML non-compliance.
- Completing and publishing two thematic reviews into important aspects of AML compliance.

In June 2025, we created the Professional Standards centre in ICAS, adding the following teams to our existing three regulatory teams:

- Practice Support, which offers a range of much-valued support services to members and firms in practice.
- Quality & Standards, which ensures that ICAS' student assessment processes run in accordance with all applicable requirements.

These changes brought together colleagues with similar skills and functions, allowing us to better work together for the benefit of our members and students.

Close collaboration

We continued to work closely with the UK government and other professional bodies on various reform programmes, including proposed changes to regulatory structures for AML, audit, insolvency, and tax.

In **October 2025**, the UK government announced its decision to transfer AML supervisory functions from the professional bodies (including ICAS) to the FCA. This development will impact ICAS and our supervised firms and will be discussed in depth across 2026 as more details become available.



Yufei Long ICAS student

All of our regulatory work is undertaken with regard to the policy positions adopted and published by ICAS' Regulation Board in 2022:

- We believe that regulation is not a 'necessary evil' but represents a positive good for all stakeholders.
- We believe that ICAS is best placed to regulate our members and firms and will proactively seek to defend our ability to continue to do so in the future.
- We believe that regulation should continue to be a priority for ICAS, with the CA 'badge' only protected where regulatory functions are effective in maintaining and raising standards.

Outlook for 2026

In 2026, we will continue our work on the re-introduction of Practice Monitoring (now Practice Review), following the completion of successful trial visits in 2025. We will also resume our annual CPD sampling exercise, with ICAS Council having agreed to introduce a mandatory ethics requirement for membership.

With the broader regulatory landscape being impacted by so many factors – including government reforms, private equity, and new technologies – it is crucial that our teams are flexible and agile, ensuring that we can respond effectively to whatever changes come next.

Equality, diversity and inclusion

Equality, diversity and inclusion (EDI) is woven through everything we do. We support a sustainable, future-ready profession by focusing on widening access, further improving student and member retention across all backgrounds, and ensuring ICAS remains relevant to a changing membership and society.

Attracting and retaining diverse talent and creating environments where ICAS members can thrive is a priority. We do this through targeted networks, such as our [CA Women's Network](#) and [Black Members' Network](#) and the free [ICAS Mentoring programme](#). We also take part in schools outreach work through [the social mobility initiative Rise](#), which helps us support pathways into the accountancy profession.

By addressing inequality, wellbeing and fairness, we demonstrate leadership on issues that matter to our members, employers, regulators, prospective ICAS students and the wider public. This strengthens trust and our professional reputation. We have also embedded inclusion into governance and decision-making. We openly and regularly promote vacancies on our boards, panels and committees, and [EDI insights](#) inform their work, policy positions and engagement priorities. This ensures that lived experience and

diverse perspectives shape our activity. Our EDI Committee, comprising ICAS members, students and colleagues, holds us accountable, making sure our three-year [EDI strategy](#) is delivered.

As a professional membership body, it's important we respond to emerging risks and opportunities and that we can assist our members to do the same. Our [research](#) into topics including miscarriage and menopause, mental health programmes including [free access to a 24/7 helpline](#) for all members, and consultations on issues such as inclusive workplaces, help the profession respond to workforce risk, productivity, societal challenges and changing employer expectations.

Our approach links inclusion to practical outcomes, better workplaces, stronger careers and a profession that reflects the communities it serves.



Meet the ICAS President event

Transforming our ways of working and supporting our people

During 2025, we continued our focus on colleague experience and nurturing a culture of curiosity and growth.

Our commitment to equality, diversity, and inclusion was further recognised externally, our gender pay gap continued to close, and we embraced new technology and embarked on a programme of learning for all colleagues.

Investors in Diversity

In 2024, we were recognised by the National Centre for Diversity for our strong EDI practices and policies, achieving Investors in Diversity Bronze accreditation. In 2025, we were delighted to have this upgraded to Silver — an achievement made even more meaningful as it was based on the views of our colleagues.

We continued to build on this progress by establishing a Diverse Perspectives working group. It brought together colleagues from across ICAS to champion the National Centre for Diversity's FREDIE principles of fairness, respect, equality, diversity, inclusion, and engagement.

Through 2024, our gender pay gap continued to close, with a median gap of 7.5%, representing a 2% improvement year on year and an overall reduction of 26% since 2017.

Leveraging technology and AI

In 2025, we implemented a new HR Information System to enhance colleague experience by increasing opportunities for self-service and enabling two-way interactions through a social-media-style interface. The platform also provides real-time people-data to support faster, more informed decision-making.

We further supported colleagues by educating them on the responsible use of AI tools and launched our Growth Academy to promote continuous learning, with an initial focus on strengthening digital and technology skills.

A focus on wellbeing

Colleague wellbeing remained a core priority throughout 2025, and we continued to reinforce our commitment to hybrid working practices that balance time in the office with home and family life.

We once again dedicated the month of October to wellbeing, centring on the theme of 'developing healthy habits.' Colleagues were invited to take part in a range of activities, including a step challenge with a charity donation for the winning team, smoothie-making powered by pedal energy, a high-intensity training taster session, and an insightful nutrition workshop.

Strengthening our culture

Our commitment to a culture of trust and open dialogue remained strong. We were pleased to achieve an 80% response rate to our annual engagement survey, with results showing high regard for teams and managers, as well as strong clarity around how colleagues contribute to the success of ICAS.

Throughout the year, our Colleague Forum met quarterly to provide our Executive team with valuable insights and suggestions. This direct feedback led to several positive changes in working practices and continues to shape how we evolve our culture.



Julie Ashworth Public Interest Member



Collaboration

Collaboration across the accountancy profession is essential. It strengthens our collective voice on matters of global significance and enables the effective sharing of insight, expertise, and best practice.

In 2025, we deepened our engagement with leading global and regional accountancy bodies including the Global Accounting Alliance, Chartered Accountants Worldwide, and Accountancy Europe, ensuring we continue to influence key developments and contribute meaningfully to the profession’s future.

Global Accounting Alliance (GAA)

Our outgoing CEO, Bruce Cartwright CA, is Chair of the Global Accounting Alliance (GAA). The GAA was formed in November 2005 and serves as a forum for 10 of the world's leading professional accountancy bodies whose members practice in major capital markets. Its purpose is to serve the public interest by leading the advancement of a high-quality accounting profession by sharing information and collaborating among GAA members and advocating on international issues important to the profession.

Our collaboration with other accountancy bodies through the GAA, and alongside Chartered Accountants Worldwide (CAW), and Accountancy Europe remains an important part of our advocacy and influence strategy.

In March 2025, the Global Accounting Alliance (GAA) published a significant guide [Why Nature](#)

[Matters to Accountants: A Guide to Building Resilience and Value Through Nature-Positive Action](#) to help accountants integrate nature-related risks and opportunities into financial reporting and strategy, linking it to sustainability and financial performance.

The same month, the GAA brought together audit and assurance providers, board members, corporate preparers, investors, regulators, standard setters and other stakeholders to share perspectives on sustainability assurance, at an in-person event in London.

The GAA also sent a letter to the Chair of the IESBA (International Ethics Standards Board for Accountants) and CEO of the International Federation of Accountants in April 2025, providing clarity on the GAA's stance on ethical standards for accountants.

Chartered Accountants Worldwide (CAW)

Chartered Accountants Worldwide brings together 16 top chartered accountancy member institutes from around the world, uniting over 1.8 million dedicated members and students across more than 190 countries. We continued to work closely with CAW and its member institutes throughout 2025. We were actively involved

in taskforces on AI and tech, trust leadership, wellbeing, the chartered accountant brand, the attractiveness of the profession, and we chaired its EDI taskforce.

CAW enables ICAS members to meet counterparts from across the globe. In 2025 we saw many opportunities, including at a networking event in London to celebrate 10 years of CAW, in Sydney for a chartered accountancy future leaders think tank, and in New York at a networking event. We also participated in the fifth CAW Trust Survey conducted by Edelman DXI, which found the profession ranks third globally for trust, just behind doctors and engineers – and significantly ahead of other accountancy qualifications. While in Scotland, Chartered Accountants were ranked as the most trusted professionals.

Accountancy Europe

Accountancy Europe continued to be active in the sustainability reporting and assurance front with the European Commission (EC)’s launch of its Omnibus proposal in February 2025. The proposal outlined a revision of certain requirements of the Corporate Sustainability Reporting Directive (CSRD), the Corporate Due Diligence Directive (CSDDD), and the EU Taxonomy Regulation. The Omnibus sustainability package aims to simplify measures and reduce administrative burdens for companies. Accountancy Europe closely monitored and contributed to these legislative developments, representing the voice of the European accountancy profession, and sharing insights and views on the ongoing developments through the input of its Sustainability policy group, as well as input from its Audit and Assurance policy group. After lengthy negotiations, the EU co-legislators agreed on the EC’s Omnibus proposal to amend the CSRD and CSDDD rules, bringing significant changes, including considerably reducing the number of entities in scope.

It published two papers on private equity investments in accountancy firms: [Private equity investments in accountancy firms](#) (June 2025) and [Beyond private equity: third party ownership in the accountancy and audit sector](#) (November 2025).

It also undertook a detailed stakeholder engagement initiative Purpose 2030 (P30). This consultation gathered insights from Accountancy Europe stakeholders, member bodies, expert groups, EU institutions, and external partners, to assess how Accountancy Europe is perceived, where it adds value, and what improvements are needed to strengthen its role in representing the European accountancy profession.

CCAB

The major professional accountancy bodies in the UK and Ireland joined together in 1974 to form the Consultative Committee of Accountancy Bodies (CCAB). This is now comprised of ICAS, ICAEW, ICAI, ACCA, and CIPFA, with two meetings each year involving the bodies’ office-bearers, Chief Executives, and senior employees with relevant expertise.

The [overarching strategic goal of the CCAB](#) is to provide a forum where its member bodies can meet and act collectively on behalf of the accountancy profession in the UK to promote the public interest on matters within the sphere of the profession and its members.

CCAB’s current workstreams include tackling economic crime, ethics, and standards setting. In November 2025, [CCAB issued an updated Statement of Recommended Practice](#) for use by Limited Liability Partnerships (LLPs SORP). There was also work by the CCAB Ethics Working Group, which is still ongoing, to produce guidance for members on the ethics issues relating to the use of AI tools. ICAS assisted in reviewing various versions of this guidance and case studies as well as contributing to additional content.



ICAS Foundation



The ICAS Foundation is ICAS' social mobility charity. It is an independently registered charity supporting talented young people from low-income backgrounds to pursue a career in accountancy.

The Foundation's mission is to advance education in accountancy, finance, and related subjects, with a strong emphasis on promoting opportunity, diversity, and inclusion.

Their Nurturing Talent Programme provides long-term, wraparound support which combines a bursary award of up to £2,500 per year with mentoring from an experienced finance professional, access to internships and work experience, and ongoing professional development.

This comprehensive programme of support is designed to help students stay on track, build confidence, and progress into the profession with the skills, networks, and self-belief they need to succeed. In 2025 the Foundation also reopened its Additional Support Fund, offering targeted grant support to Programme students facing hardship.

The Foundation accepts applications from undergraduate students at any point before graduation, providing up to four years of tailored

support to help them reach their full potential. The Foundation offers places on its Nurturing Talent Programme to talented undergraduates studying or intending to study accountancy or finance at an ICAS partner university.

Diversity and inclusion are central to the Foundation's selection process, ensuring that a broad range of talented individuals are supported as the next generation of accountancy professionals. All students come from a household with an income below £34,000. To date, a majority of these have come from households with an income below £20,000. A majority are women, and 43% identified as either being from an ethnic minority or from a background other than the UK.

ICAS Foundation initiatives are funded through a generous contribution from ICAS, along with annual donations from ICAS members. Additional support comes from individual, corporate, and matching-fund donors whose generosity is crucial to sustaining the Foundation's programmes and expanding its impact.



Charles Scott prize winners

Foundation impact

Since 2014 the ICAS Foundation has made £2.9m of bursary awards, offering 404 students a life-changing opportunity on the programme.

The Foundation has supported students at 18 UK universities, 12 in Scotland and six in England. For 2025 it has also supported students at two Scottish colleges, recognising that eligible students sometimes come to university study through different routes.

The young people on the ICAS Foundation programme have often experienced significant challenges in life, but when given a chance, their talent and determination show in their achievements.

- In 2025, 17 students on the Foundation's programme graduated from university, with 86% achieving first or upper second-class honours. 10 of those students have progressed to CA training contracts with a further four progressing to other professional training or postgraduate education.

- Of 219 programme graduates to date, 110 have started CA training contracts and 45 have so far been admitted to ICAS membership, with nine admitted in 2025.
- In 2025, a record 49 new students joined the programme, taking the total number to 115 and increasing representation of students from ICAS partner universities in England. More than 30 mentors were recruited to support this cohort.
- 11 programme alumni are now mentors to the next generation of programme participants and programme alumni have been represented on ICAS committees including Members Board, Qualifications Board, the Indirect Tax Committee and Local Area Network Committees.
- Of 38 final year students expected to graduate in 2026, 25 have job offers, the majority for CA training contracts. Many of these came following summer internships including with the Foundation's corporate partner firms.



ICAS Cares

ICAS Cares is the charity that supports CAs, students, and their dependants, from the moment they step on the path to becoming a CA, throughout their professional lives and beyond.



Fran van Dijk
Public Interest
Member

“During the birth of our son, we had issues which lead to lifelong issues for our child. ICAS Cares supported us through this difficult time, giving us a six-month grant which allowed us to spend time with our baby and learn about his needs. A few years later, he required specialist supportive seating, and once again ICAS Cares helped towards the costs. We also made the decision to try specialist therapy in the USA, and then in the UK when it became available, which the charity helped finance. It has made a huge difference to our son and has improved so many aspects of his daily life.”

Member whose son has lifelong physical and cognitive issues



A crisis or life-changing event such as ill-health, redundancy or debt can happen to anyone when least expected. There is no disgrace in being in a vulnerable situation. ICAS Cares helps with emotional, practical, and financial support and confidentiality is respected.

Financial assistance, which is means tested, depends on circumstance and need. ICAS Cares' income-grant clients reduced in 2025 following the loss of a couple of elderly beneficiaries during the year. One-off awards included a disability aid and therapy, study and exam fees, career counselling, household goods, play equipment, hospital transport support, and rent payments. The trustees continued to provide financial support to the ICAS Foundation from a restricted fund. ICAS Cares awarded £52,000 (£56,000 - 2024) grants in total.

Emotional and practical advice is as important a service as direct financial help. A shared conversation, a listening ear and help in identifying solutions and signposting, with follow up, is ICAS Cares' focus. Their outreach coordinator works with clients to maximise state benefits and access other support services where there are health needs, whether short or long-term. In 2025 this included advocating for a retired member navigating the social care sector and assisting an elderly beneficiary with sheltered housing options. Those activities complemented the ICAS wellbeing support for members and students and included assistance for more complex cases that needed a long-term relationship.

ICAS Cares is keen to ensure that all ICAS members past and present, and students, are aware of the benefits of the charity's services. The best way of understanding their impact is to hear from their beneficiaries:

“With your support, guidance and advocacy we were able to arrange personal care for my wife — care that has made a huge difference in her daily life. Knowing that she has this ongoing daily support both in the morning and in the evening helps me greatly to face up to the daily challenge of looking after her and gives me the strength to help her throughout each day.

I can't thank them enough for their kindness, understanding, and generosity with their time. They've made a real difference—not just in my wife's life, but in mine as well.”

Retired member and full-time carer for wife

ICAS Cares is dependent on the generosity of ICAS members. The Board is extremely grateful to all those who have supported and continue to support other members in need whether by annual donation or legacy.

ICAS governance

We are a chartered body constituted by Royal Charter in 1854 and it remains a fundamental part of our governance, along with our Supplementary Charter, the ICAS Rules and General Regulations.

ICAS Council has responsibility for ensuring that ICAS fulfils the objects set out in the Royal Charter, for approving strategic direction, and for monitoring performance against strategy and business plans.

The ICAS General Regulations provide that Council shall have 18 elected members, 12 from UK geographical area seats and six open seats, and up to seven co-opted members, as well as the office bearers – Vice President, Deputy President and President – and not less than three Public Interest Members (PIMs). PIMs are members of Council who are not accountants and who have a specific remit to represent the public interest and to provide oversight and scrutiny of ICAS’ governance arrangements. Their work helps Council to ensure that the public interest objectives of our Royal Charter are met.

At the conclusion of the ICAS AGM held on 25 April 2025, the composition of Council was three office bearers, 12 members elected to geographical area seats, six members elected to open seats, two co-opted members and four PIMs.

Council held five meetings during 2025, four hybrid meetings which were based in Edinburgh, and one in-person meeting in London. A meeting was convened in October 2025 to seek Council’s approval for the appointment of Gail Boag to succeed Bruce Cartwright CA as Chief Executive. Council is supported in its leadership of ICAS and delivery of the 2030 Strategy by the boards and committees to which it has delegated authority. The Oversight Board, Audit & Risk Committee,

Regulation Board and Qualifications Board are responsible for monitoring and overseeing key ICAS activities. Day-to-day management of ICAS is delegated to the Executive team, which until 31 December 2025 was led by Bruce Cartwright CA.

Our Oversight Board meets quarterly to monitor and offer guidance on the development and implementation of ICAS strategy, business plan and budget, and to oversee the work of the Chief Executive and Executive team. At each meeting, the Board receives an update report from the Chief Executive and Executive team on strategy, the business plan and budget, performance and KPIs, along with key issues and developments relating to ICAS and to the profession. Key matters considered by the Board during 2025 included the estate strategy, risk management, the CPD delivery model, and the appropriateness of the strategic KPIs. The 2026 budget, five-year business plan and associated KPIs were presented to, and scrutinised by, the Board at its November meeting in advance of them being presented to Council for approval.

Our Audit & Risk Committee met four times during 2025 with the ICAS external and internal auditors present. The Committee members have a range of expertise including in finance, risk, cyber security, commercial and public sector. The Committee approves an annual internal audit plan and reports received during 2025 included core financial controls, business continuity planning and cyber security. The 2025 annual financial statements were scrutinised by the Committee before reporting its observations to Council. Risk management and internal controls are considered

by the Committee with Executive Directors being invited to present a deep dive on specific risks within their directorates.

Our Regulation Board is chaired by John Sutherland, a Public Interest Member of Council. The role of Regulation Board is set out in the ICAS General Regulations. The Board has oversight of the regulatory committees, regulatory policy, and how ICAS upholds the professional standards of ICAS members, students, affiliates and firms. It met four times in the year.

Our Qualifications Board monitors and oversees the work of the Learning function within ICAS and has overall responsibility for delivery of the CA qualification and other designations awarded by ICAS. It met four times in the year.

Council and its boards and committees regularly conduct self-evaluations of performance and effectiveness, and we monitor and publish data on the EDI demographic composition of Council and its main boards and committees.



Graham Stirling CA



Risk

ICAS operates a system of risk management to identify and assess risks and to ensure appropriate mitigating actions are put in place in line with the risk appetite. Council closely monitors the status of the principal risks and any mitigating actions.

During 2025 the Audit & Risk Committee continued to evolve the maturity of its risk management arrangements and reported on its activity to Council to assist Council in discharging its duty to manage risk. Council reviewed and approved risk appetite during 2025 and reviewed the principal risks.

Principal Risks

ICAS' principal risks are set out in the table below. Council continued to give consideration to the changing landscape throughout 2025 in assessing the risks. The key risks include maintaining public trust, the impact of rapid change in the profession, supporting and remaining relevant to our membership, financial risks, information security and managing our people risks.

Challenge	Risks	Mitigation and Link to ICAS Strategy
Maintaining Public Trust	<ul style="list-style-type: none"> The regulatory landscape continues to undergo significant change and consolidation. There is a risk of public mistrust of the profession in the wake of company failures and political and regulatory challenges affecting the profession. There is a need for the profession to lead on the most significant global challenges facing society and business, including technology, equality, diversity & inclusion and climate change. 	<p>The ICAS strategy sets out an approach to build public trust in business and the profession. It seeks to ensure that the ICAS voice delivers impact, in the public interest, on the areas of most importance.</p> <p>ICAS continues to play a key role in the changes to the profession and responding to the impacts for members.</p>

Challenge	Risks	Mitigation and Link to ICAS Strategy
Impact of rapid change in the profession	<ul style="list-style-type: none"> The attractiveness of the profession, economic pressures, the impact of technology and changes in the marketplace could have the effect of fewer students seeking to train as Chartered Accountants. The nature of the profession also results in the concentration of student training revenue from a smaller number of firms and suppliers. Operationally the learning landscape drives risks arising from the fast pace of technology change and delivery models alongside the importance of the regulatory landscape. We need to continue to innovate to stay relevant. Continued private equity investment in the profession will drive consolidation of firms. 	<p>Our 2030 strategy seeks to ensure that the syllabus and its delivery are modern and relevant to today's employers. We continue to explore new routes to entry and widen our portfolio.</p> <p>We continue to invest in technology solutions and data driven insight to modernise assessment processes, strengthen academic integrity controls, and enhance resilience.</p> <p>We take great care with our key relationships and are constantly working to expand the group of employers who train with us.</p>
Supporting and remaining relevant to a global membership	<ul style="list-style-type: none"> It is increasingly important to ICAS' ongoing relevance that we make a positive contribution in relation to wider societal, economic and environmental aims. If relevance is not maintained and we fail to be a leading voice on key issues, then there is a risk to satisfaction levels and retention amongst the membership. Challenges arise from the growing diversity of members' career paths, the potential impacts of technology and the importance of ensuring global mobility. 	<p>Our strategic goals seek to directly address this risk with a focus on delivering value to members in how we can advise and connect through the ICAS network. We look to grow our voice on the issues that matter to our members and be a leader in the future of finance professionals.</p> <p>Our strategy places significant emphasis on an organisation wide strategic focus on Ethical Leadership, Technology and Sustainability goals. We will harness our resources to make a positive impact.</p>

Challenge	Risks	Mitigation and Link to ICAS Strategy
Financial risks of unpredictable events	<ul style="list-style-type: none"> Volatility in regulatory funding requirements, inflation and economic conditions may constrain ICAS' ability to invest in strategic priorities. There could also be financial risks arising from the potentially high and volatile costs associated with public interest discipline. Long-term financial sustainability may be challenged by shifts in student and membership demographics, requiring ongoing assessment of the business model. 	<p>The ICAS strategy targets maintenance of sufficient liquid reserves to provide resilience against unpredictable financial risks.</p> <p>Long term financial planning and financial resilience scenarios are used to assess our financial robustness. This is supported by a regular review of our pricing, cost base, and commercial strategy to ensure a balanced and sustainable financial position.</p> <p>ICAS has power to levy members in respect of public interest discipline costs – currently no levy has been raised since 2012.</p>
Information security and data protection	<ul style="list-style-type: none"> Increasing sophistication of cyber threat actors and third party vulnerabilities heightens the risk of operational disruption, data loss and regulatory breach. The resulting damage could be to our reputation, operations or both. 	<p>Increased investment in security infrastructure, threat-monitoring tools and staff training has strengthened ICAS' cyber defence.</p> <p>We continue to undertake regular assessments of our cyber security & data protection and further assurance provided by specialist external assessment.</p> <p>Regular business continuity plan test scenarios are undertaken.</p>
Anticipating and effectively managing our people risks	<ul style="list-style-type: none"> Over recent years, a combination of high inflation, a buoyant labour market and the re-evaluation of career priorities by employees has increased the risk of staff turnover and the cost of recruitment. We need to ensure that ICAS attracts a diverse pool of talent into the organisation. 	<p>We have conducted a full salary benchmark exercise across all roles and assessed benefits; developed a competency framework and career paths; refreshed the recruitment strategy to include an improved employee value proposition; enhanced the employee experience through continuous improvement of processes & practices; and conducted succession planning and talent management exercises.</p>

Financial Statements

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Gavin MacKenzie CA

Financial review

Group results

The Group net profit for the year was £0.5m (2024: loss of £1.4m).

The results reflect the expected return to profitability after 3 years of investing in the 2030 strategy programme.

Income

Total revenues grew by £1.8m to £23.1m in 2025. The main drivers of the growth were the completion of the first full cycle of the new learning syllabus, and the planned subscription fee increase combined with strong membership renewal rates.

Margaret Bunyan CA



Expenditure

Group employment costs were £12.7m (2024: £12.4m) with the inflationary increases on salary costs off-set by a reduction in strategic employment costs in 2025.

Other operating costs were £10.2m (2024: £10.6m). Increases in the costs of learning delivery, mainly due to improvements in assessments facilitation, were more than off-set by the significant reduction in strategic implementation costs.

Group net assets at the 31 December 2025 were £8.8m (2024: £7.0m).

At the 31 December 2025, on an IAS19 accounting basis, the defined benefit pension scheme has a net surplus of £1.7m (2024: £0.1m). The increase in the asset is due to the discount factor remaining high which reduces the valuation of the scheme liabilities, while the scheme assets have shown significant recovery in 2025. ICAS also continued to make further contributions as agreed following the 2023 triennial review.

The ICAS Foundation had £2.1m total net assets (2024: £2.1m) and has a clear reserves policy statement in relation to these funds.



ICAS members

Going concern and long-term viability

Council has taken into consideration the potential impacts of any reasonably foreseeable downside risks and has assessed the on-going viability of ICAS using a 3-year model of future cash flows and has a reasonable expectation, at the time of approving the financial statements and for the 12 months following, that ICAS has adequate resources to continue its operations and meet its liabilities as they fall due over the 3-year period assessed.

Council has no reason to believe that ICAS will not be viable over a longer period and a 3-year

period reflects the cycle and outlook of key financial inputs, primarily the typical life cycle of a student cohort. For this reason, it continues to adopt the going concern basis in preparing these financial statements.

The viability assessment is informed by ICAS resources (cash, investments and fixed term deposits at 31st December 2025 of £13.4m (2024: £11.9m) and a detailed forecast of revenue, expenditure and cash flow and an assessment of the principal risks facing ICAS.

Audit & risk committee report

Council has established an Audit & Risk Committee to assist in discharging its duties. The Audit & Risk Committee membership includes a range of financial, risk, control and commercial expertise. The Audit & Risk Committee met four times during the year, and both the external and internal auditors attended its meetings and had direct access to the Chair. The Committee discharged and reviewed its Terms of Reference during 2025 and reviews its own effectiveness annually.

The Committee has responsibility for making recommendations to Council on the appointment of the External Auditors, determining their independence from the group and its management, and agreeing the scope and fee for the audit.

During 2025, the Audit & Risk Committee received reports on a series of risk based internal audits from Azets LLP who reported to the Audit & Risk Committee on the control environment. The Committee approved an annual internal audit plan with coverage of key areas on a rotational basis. The Audit & Risk Committee spent significant time reviewing the risk management and reporting arrangements, including ongoing monitoring of risk performance against appetite with an increased focus on information security and the evolution of the risk management framework. It met on rotation with the principal risk owners for Regulation, Learning, Technology, Information Security & Member Engagement.

The Audit & Risk Committee considered the financial statements and received interim and final reports from the external auditor on their audit of the financial statements. The Committee challenged the assumptions and disclosures

included in the financial statements. The most significant matters considered by the Audit & Risk Committee were:

- The Committee explored the work undertaken by the auditor in relation to revenue recognition and reviewed information provided by the Finance Director to support the judgements made and noted the work of the External Auditor.
- The valuation and disclosure of the retirement benefits plan obligation, which is significant to the financial statements. The Committee reviewed the assumptions and the judgements made in valuation and recognition of the pension obligation, including reviewing advice from the Actuary, and considered the work of the External Auditor including their comparison of the assumptions to benchmarks.

The Audit & Risk Committee reported its observations to Council on the Annual Report and Consolidated Financial Statements for Council to consider in discharging its duty to ensure the financial statements taken as a whole are fair, balanced and understandable.

Provision of information to the auditor

Each of the persons who are members of Council at the time when the Annual Report is approved has confirmed that:

So far as that they are aware, there is no relevant audit information of which the ICAS auditor is unaware, and that Council has taken all the steps that ought to have been taken in order to be aware of any relevant audit information and to establish that the ICAS auditor is aware of that information.



Naeema Joji CA

Independent auditor's report

to Council of the Institute of Chartered Accountants of Scotland

Report on the audit of the financial statements

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of ICAS' affairs as at 31 December 2025 and of the Group's and ICAS' profit and the Group's and ICAS' cash flows for the year then ended;
- the Group and ICAS' financial statements have been properly prepared in accordance with UK adopted international accounting standards.

We have audited the financial statements of the Institute of Chartered Accountants of Scotland ('ICAS') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise of the following:

- Group and ICAS Income Statements
- Group and ICAS Statements of Comprehensive Income
- Group disclosure of tax effects relating to each component of comprehensive income
- Group and ICAS Statements of Financial Position
- Group and ICAS Statements of Changes to Reserves
- Group and ICAS Statements of Cashflow
- Note 2 – Material Accounting Policy Information
- Notes 3 – 28 to the consolidated and ICAS financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the ICAS in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Council's assessment of the Group and ICAS' ability to continue to adopt the going concern basis of accounting included:

- Evaluation of the Council's assessment in respect to their ability to continue as a going concern for at least twelve months from the date of approval of these Consolidated Financial Statements. This included checking the mathematical accuracy of the models used;
- Evaluation and challenge of the Council's key assumptions, cash flow projections and

judgements made in respect to their going concern assessment. We did this by considering the appropriateness of the assumptions and judgements made by the Council, based on our understanding of the business, and challenging the Council as to the accuracy of these assumptions and judgements relative to the equivalent metrics actually achieved in the recent history of ICAS and the Group's performance. Key assumptions identified were those relating to growth rates in member and student numbers, as well as the timing of cashflows. We challenged these based on our understanding of the business in respect of member numbers, ability to deliver services within agreed timeframes and the probability of the cash flows materialising.

- We performed our own stress tests to identify key areas that would cause ICAS and the Group to fail and assessed the likelihood of these. We performed these sensitivities by identifying the key indicators such as revenue, cash and profit would need to reduce by before the Group would no longer have the ability to repay their debts as they became due. We considered loss of members, student drop-out rates, and new training contract numbers to be some of the main assumptions made by the Council and duly sensitised these by assuming much reduced trading profit to determine whether the Group had sufficient cash and reserves to absorb any such reasonable downside scenarios. Our assessment of the key areas that would cause ICAS and the Group to fail was based on our enquiries with management, review of the Council and Oversight board minutes, as well as from our understanding of the nature of the Group's operations and cash flow cycle.
- We performed procedures to identify unrecorded liabilities that may exist in the Group which could materially impact the financial position of the Group and ability to continue to meet their liabilities for at least twelve months from the date of approval of these financial statements. These procedures included inspection of meeting minutes, post year end payments and invoice

sampling, inspection of correspondence with the Council's legal advisors including obtaining confirmation of no material claims or litigations of which we were not aware of, as well as challenging new contracts taken out in the year to identify any unrecorded liabilities or conditions not otherwise met by the Group.

- We assessed management's ability to forecast by comparing previous forecasts to actual outturns and current year forecasts to post year end positions achieved and corroborating evidence such as quoted costs, especially in relation to strategic investments to identify any potentially material forecasting errors.
- We assessed the completeness and accuracy of disclosures in relation to going concern and assessed whether significant judgements made have been appropriately disclosed in the Consolidated Financial Statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and ICAS' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and ICAS' ability to continue as a going concern.

Our responsibilities and the responsibilities of the Council with respect to going concern are described in the relevant sections of this report.

Overview

Key audit matters	2025	2024
Revenue recognition including deferred revenue	✓	✓
Valuation of the retirement benefit scheme obligation	✓	✓

Materiality *Group financial statements as a whole*
 £585,000 (2024: £430,000) based on 2.5% (2024: 2%) of revenue

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

The Group comprises two business units, being, ICAS, operating as a membership body, and ICAS Foundation, its charity arm.

Components are organised by individual entity and there are no significant sub-consolidations.

Control environments do not vary across the Group as both components are managed by the same finance function.

As part of performing our Group audit, we have determined the components in scope as follows:

- ICAS
- ICAS Foundation

We have selected components based on our risk assessment at a Group level. We then applied professional judgement to focus our audit procedures on the components that posed the greatest risks to the group financial statements.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- Procedures were performed on the entire financial information of ICAS; and
- Procedures were performed on one or more classes of transactions, account balances or disclosure of ICAS Foundation.

The Group engagement team has performed all procedures directly and has not involved component auditors in the Group audit.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting and commonality of controls in relation to investments, cash, payroll and financial reporting. We therefore designed and performed procedures centrally in these areas.

The group operates a centralised IT function that supports IT processes for certain components. This IT function is subject to specified risk-focused audit procedures, predominantly the testing of the relevant IT general controls and IT application controls.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Revenue recognition (note 4, material accounting policies note 2) including Deferred Revenue (note 18)</p> <p>Revenue is considered to be the principal consideration in assessing the financial performance of ICAS and the Group.</p> <p>As detailed in note 2, revenue consists primarily of learning, member, standards, business services, customer experience and ICAS Foundation revenue.</p> <p>Given the nature and significance of revenue and its importance to the activities of the Group, we considered there to be a significant risk arising in respect of the accuracy and existence of learning, member standards and customer experience revenue as shown in note 4.</p> <p>For Learning (incl. admission fees), standards and customer experience revenue, determining the appropriate period of recognition requires the Council to identify separate performance obligations and estimate variable consideration that best predicts the amount of revenue that ICAS and the Group will ultimately be entitled to and so a fraud risk was identified over this.</p>	<p>In response to the key audit matter, our audit work included, but was not limited to:</p> <p>Reviewing the accounting policies and practices for consistency of judgements, such as the average tenure of members and dropout rates, applied and accuracy in calculating the deferral of admission fees in line with IFRS 15.</p> <p>Testing admission fee (Customer experience) recognition by critically assessing managements key accounting estimate for the period over which the membership benefits are delivered. This included evaluating the reliability of historical data used to observe average membership durations and performing a recalculation of admissions fee revenue and deferred revenue based on this data. Existence of fees received during the year was tested through agreeing a sample of admissions fees to supporting sales invoice, bank receipts and membership records.</p> <p>Testing the standards and customer experience revenue recognition and cut-off by agreeing the recognition and accurate deferral of standards and customer experience revenue by agreeing to invoices and cash receipts and considering the basis of any recognition estimates.</p> <p>Performing an independent recalculation of membership fee revenue (customer experience) using published fee rates and detailed membership data and comparing that to what has been recognised. We tested the accuracy and completeness of the underlying membership date by agreeing a sample of 2025 and 2026 subscriptions to supporting invoices, cash receipts, and membership records.</p>

Key audit matter

How the scope of our audit addressed the key audit matter

We also considered there to be a significant risk over deferred revenue of admission fees as these fees involves significant judgement by management in relation to the average membership life of a Chartered Accountant (CA).

As a result, we consider revenue recognition to be a key audit matter.

Performing an independent recalculation of membership fee revenue (customer experience) using published fee rates and detailed membership data and comparing that to what has been recognised. We tested the accuracy and completeness of the underlying membership date by agreeing a sample of 2025 and 2026 subscriptions to supporting invoices, cash receipts, and membership records.

Performing IT tests of control to confirm the operating effectiveness of IT general controls relevant to revenue recognition. This included testing of automated controls around new member creation and approval, as well as controls to restrict access to amend membership and pricing data to only appropriate individuals. Using data analytics tools to review any journal entries to revenue outside of our expectation and identify any other unusual data entry types to revenue.

Checking a sample of learning, standards and customer experience revenue to sales invoice, exam/class attendee lists and payment confirmation to gain assurance over the existence and accuracy of reported revenue.

Testing a sample of practising certificates issued during the year to assess the operational effectiveness of the control procedures. We also performed an independent recalculation of practising certificate (standards) revenue using confirmed fee rates and member data (on which we tested the completeness and accuracy of the list by agreeing a sample of member information to supporting documentation).

Checking a sample of learning revenue to evidence of exam completion to confirm the student in question had attended (and in the correct year of recognition) and performing an independent recalculation of student training revenue using published fee rates and detailed student member data.

Key observations

Based on our audit work performed we have not identified any indicators to suggest that revenue recognised is not appropriate.

Valuation of the retirement defined benefit scheme obligation (note 20)

ICAS and the Group has a defined benefit pension scheme.

The pension obligation valuation is dependent on market conditions and key assumptions made by

ICAS and Group, relating to investment markets, discount rates, inflation expectations and life expectancy assumptions.

This elevated risk area represented a key audit matter given that the setting of these assumptions is complex and requires the exercise of significant judgement.

In response to the key audit matter, our audit work included, but was not limited to:

Utilisation of external pension actuarial experts to review the key actuarial assumptions used, both financial and demographic, and in conjunction with these experts considered the appropriateness of the methodology utilised to derive these assumptions.

Benchmarked the scheme assumptions against publicly available published data. Specifically, we challenged the discount rate, inflation and mortality assumptions applied in the calculation by using our own independent pension expert to benchmark the assumptions applied against comparable third-party data and assessed the appropriateness of the assumptions in the context of ICAS and the Group's own position. We performed sensitivity analysis on the assumptions determined by ICAS and the Group.

We checked the competence, independence, and ability to perform the work of the third-party actuaries used by management by obtaining independence confirmations as well as checking that they are qualified actuaries.

Key observations

Based on the work performed we consider the assumptions used in the valuation of the defined benefit pension scheme obligations to be in line with expectations.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level,

performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		ICAS financial statements	
	2025 £	2024 £	2025 £	2024 £
Materiality	585,000	430,000	555,000	409,000
Basis for determining materiality	2.5% of revenue at the planning stage of the audit	2% of revenue at the planning stage of the audit	2.5% of revenue at the planning stage of the audit	2% of revenue at the planning stage of the audit
Rationale for the benchmark applied	Revenue is considered to be the principal consideration for users of the financial statements in assessing the financial performance of the Group	Revenue is considered to be the principal consideration for users of the financial statements in assessing the financial performance of the Group	Revenue is considered to be the principal consideration for users of the financial statements in assessing the financial performance of the Group	Revenue is considered to be the principal consideration for users of the financial statements in assessing the financial performance of the Group
Performance materiality	438,700	301,000	416,000	286,000
Basis for determining performance materiality	75% of materiality	70% of materiality	75% of materiality	70% of materiality
	In reaching our conclusion on the level of performance materiality to be applied we considered a number of factors including the expected total value of known and likely misstatements (based on past experience), our knowledge of the group's internal controls and the council's attitude towards proposed adjustments.		In reaching our conclusion on the level of performance materiality to be applied we considered a number of factors including the expected total value of known and likely misstatements (based on past experience), our knowledge of the group's internal controls and the council's attitude towards proposed adjustments.	

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, based on a percentage of between 3% and 95% (2024: 4% and 95%) of Group performance materiality dependent on a number of factors including the level of public interest in components, components potential significant risks of material misstatement, the control environment, expectations about the nature, frequency and magnitude of misstatements in components, relative size of components and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £13,500 to £416,000 (2024: £11,900 to £286,000).

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences more than £29,200 for the Group (2024, £17,200) and £17,000 for ICAS (2024, £16,400). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The Council are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other

information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Council

As explained more fully in the Statement of Council Responsibilities, the members of Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members of Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members of Council are responsible for assessing the Group's and ICAS' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the Group or ICAS or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of ICAS and management.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory frameworks applicable to the Group and ICAS, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the group.
- Enquiring of management and the Audit and Risk Committee, including obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - o Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance
 - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

We considered the significant laws and regulations to be the applicable accounting framework, UK corporate tax, FRC regulations, VAT and employment tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines

or litigations. We identified such laws and regulations to be the Health and Safety legislation and FCA rules.

Our procedures in respect of the above included:

- Enquires of management whether there were any litigations and claims;
- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Discussions with in-house regulatory teams in order to identify any non-compliance.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - o Detecting and responding to the risks of fraud; and
 - o Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls by posting inappropriate journals and bias in developing estimates in significant risk areas such as revenue (including deferred income), and improper revenue recognition in the last month of the financial year.

Our procedures in respect of the above included:

- Discussing among the engagement team regarding how and where fraud or non-compliance might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in revenue recognition relating to cut-off which is discussed above within "Key audit matters" and the risk of management override of controls.
- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiring of management and those charged with governance concerning actual and potential litigation and claims;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the recognition of revenue, the assumptions and estimates used in the valuation of the defined pension benefit scheme (for more information on how we audited these areas, refer to the "Key audit matters" section above).
- Identifying any areas of management bias by corroborating significant estimates and judgements and challenging management as to their appropriateness based on third party empirical evidence, recalculating management's estimate, following up on information in relation to estimates to the date of approval as well as in some cases developing our own estimate range and comparing this to management's estimate;
- Focussing on revenue year end cut-off procedures and the inclusion of revenue in

the correct accounting periods (see KAM description above);

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the FRC; and
- Testing the appropriateness of journal entries based on a set of pre-determined risk criteria, journals to significant risk areas such as revenue cut-off as well as other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any transactions that would otherwise be considered outside normal operations or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

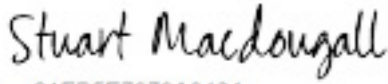
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the ICAS council, as a body, in accordance with the terms of our engagement letter dated 13 November 2025. Our audit work has been undertaken so that we might state to ICAS council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAS council, as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart MacDougall (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Edinburgh, UK

Signed by:

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Date: 24th March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Group & ICAS Income Statements

for the year ended 31 December 2025

	Notes	2025		2024	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Continuing operations					
Subscriptions and operating income	4	23,088	22,809	21,268	20,935
Employment costs	4,5	(12,685)	(12,413)	(12,430)	(12,210)
Other operating charges	4,6	(10,204)	(10,204)	(10,627)	(10,722)
Profit/(Loss) from operations	4	199	192	(1,789)	(1,997)
Gain on sale of investments		17	17	56	24
Gain/(Loss) on sale of fixed assets		-	-	(56)	(56)
Finance income	7	348	312	410	354
Finance expense	23	(9)	(9)	(9)	(9)
Profit/(Loss) before tax		555	512	(1,388)	(1,684)
Taxation	9	(13)	(13)	(19)	(19)
Profit/(Loss) for the year		542	499	(1,407)	(1,703)

Group & ICAS statements of comprehensive income for the year ended 31 December 2025

		£'000	£'000	£'000	£'000
Profit/(Loss) for the year		542	499	(1,407)	(1,703)
Other comprehensive income					
Items that will not be reclassified to income statement:					
Actuarial gain / (loss) recognised in the retirement benefit plan	20	1,168	1,168	1,322	1,322
(Loss) on revaluation of freehold land & buildings		-	-	(1,255)	(1,255)
Gain on revaluation of other non-current assets		-	-	224	224
Tax on items that will not be reclassified	19	(26)	(26)	(12)	(12)
		1,142	1,142	279	279
Items that may be reclassified subsequently to income statement:					
Valuation gain on fair value through other comprehensive income equity investments	13	171	198	262	243
Realised (loss)/gain on disposal of investments		1	1	(29)	(29)
Tax on items that may be reclassified	19	(13)	(13)	(85)	(85)
		159	186	148	129
Other comprehensive gain for the year after tax		1,301	1,328	427	408
Total comprehensive income/(expense) for the year		1,843	1,827	(980)	(1,295)

Group disclosure of tax effects relating to each component of comprehensive income

	2025			2024		
	Before Tax Amount	Tax Benefit/ (Expense)	Net of Tax Amount	Before Tax Amount	Tax Benefit/ (Expense)	Net of Tax Amount
	£'000	£'000	£'000	£'000	£'000	£'000
Actuarial gain / (loss) recognised in the Retirement Benefit Plan	1,168	(26)	1,142	1,322	(12)	1,310
Valuation gain / (loss) on fair value through other comprehensive income equity investments	171	(13)	158	262	(85)	177
(Loss) / Gain on revaluation of investments which is recycled to Income Statement	1	-	1	(29)	-	(29)
(Loss) on revaluation of investments which is recycled to Income Statement	-	-	-	(1,255)	-	(1,255)
Gain on revaluation of other non-current assets	-	-	-	224	-	224
	1,340	(39)	1,301	524	(97)	427

Group & ICAS Statements of Financial Position as at 31 December 2025

	Notes	2025		2024	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment (PPE)	10	4,264	4,264	4,479	4,479
Right of use assets	23	73	73	187	187
Intangible assets	11	-	-	-	-
Listed investments	13	5,065	3,680	4,826	3,414
Retirement benefit surplus	20	1,699	1,699	110	110
Other non-current assets held at fair value	14	936	936	936	936
		12,037	10,652	10,538	9,126
Current assets					
Trade and other receivables	15	2,332	2,235	3,116	3,065
Fixed term deposits	16	6,465	5,513	4,355	3,642
Cash and cash equivalents	16	4,266	4,166	5,165	4,861
		13,063	11,914	12,636	11,568
Total assets		25,100	22,566	23,174	20,694

	Notes	2025		2024	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Current liabilities					
Trade and other payables	17	(3,011)	(2,810)	(2,861)	(2,701)
Lease liabilities	23	(162)	(162)	(102)	(102)
Deferred revenue	18	(6,304)	(6,304)	(6,349)	(6,349)
		(9,477)	(9,276)	(9,312)	(9,152)
Non-current liabilities					
Trade and other payables	17	(170)	-	(174)	-
Lease Liabilities	23	-	-	(161)	(161)
Deferred revenue	18	(5,815)	(5,815)	(5,774)	(5,774)
Deferred tax	19	(790)	(790)	(751)	(751)
		(6,775)	(6,605)	(6,860)	(6,686)
Total liabilities		(16,252)	(15,881)	(16,172)	(15,838)
Net assets		8,848	6,685	7,002	4,856

Reserves

	2025	2024	
	Group	ICAS	
		£'000	£'000
General funds:			
- General funds	1,670	1,670	1,535
- Relating to the retirement benefit obligation	1,699	1,699	110
Property revaluation reserve	1,961	1,961	2,060
Investment revaluation reserve	1,355	1,355	1,151
ICAS Foundation general fund	1,284	-	1,094
ICAS Foundation restricted fund	879	-	1,052
Total assets	8,848	6,685	7,002

The financial statements set out on pages 56 to 113 were approved and authorised for issue by Council on 19th March 2026 and signed on its behalf by



President
Karen Scholes
24th March 2026



Chief Executive
J Bruce Cartwright
24th March 2026

Group & ICAS Statements of Changes to Reserves for the year ended 31 December 2025

Group	General fund	Retirement Benefit Obligation	Property revaluation reserve	Investment revaluation reserve	ICAS Foundation General Fund	ICAS Foundation Restricted Fund	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance as at 01/01/2024	3,790	(1,851)	3,258	952	837	993	7,979
Surplus for year	(1,473)	(230)	-	-	221	46	(1,436)
Actuarial gain in the retirement benefit plan	-	1,322	-	-	-	-	1,322
Unrealised gain on investment revaluation	-	-	-	244	36	13	293
Contribution to DB Pension Scheme	(869)	869	-	-	-	-	-
Realised loss on investment disposal	-	-	-	(28)	-	-	(28)
Transfer of revaluation depreciation	99	-	(99)	-	-	-	-
Gain/ (Loss) on Revaluation	-	-	(1,031)	-	-	-	(1,031)
Deferred tax attributable to above	(12)	-	(68)	(17)	-	-	(97)
Total comprehensive income/ (expense)	(2,255)	1,961	(1,198)	199	257	59	(978)
Balance as at 31/12/2024	1,535	110	2,060	1,151	1,094	1,052	7,002
Surplus for year	623	(123)	-	-	212	(168)	544
Actuarial gain in the retirement benefit plan	-	1,168	-	-	-	-	1,168
Unrealised gain on investment revaluation	-	-	-	199	(22)	(5)	172
Contribution to DB Pension Scheme	(544)	544	-	-	-	-	-
Realised loss on investment disposal	(17)	-	-	18	-	-	1
Transfer of revaluation depreciation	99	-	(99)	-	-	-	-
Deferred tax attributable to above	(26)	-	-	(13)	-	-	(39)
Total comprehensive income/ (expense)	135	1,589	(99)	204	190	(173)	1,846
Balance as at 31/12/2025	1,670	1,699	1,961	1,355	1,284	879	8,848

ICAS	General fund	Retirement Benefit Obligation	Property revaluation reserve	Investment revaluation reserve	Total
	£'000	£'000	£'000	£'000	£'000
Balance as at 01/01/2024	3,790	(1,851)	3,258	952	6,149
Deficit for year	(1,473)	(230)	-	-	(1,703)
Actuarial gain in the retirement benefit plan	-	1,322	-	-	1,322
Unrealised gain on investment revaluation	-	-	-	244	244
Contribution to DB Pension Scheme	(869)	869	-	-	-
Realised loss on investment disposal	-	-	-	(28)	(29)
Transfer of revaluation depreciation	99	-	(99)	-	-
Gain/ (Loss) on Revaluation	-	-	(1,031)	-	(1,031)
Deferred tax attributable to above	(12)	-	(68)	(17)	(97)
Total comprehensive income/ (expense)	(2,255)	1,961	(1,198)	198	(1,294)
Balance as at 31/12/2024	1,535	110	2,060	1,151	4,856
Surplus for year	623	(123)	-	-	500
Actuarial gain in the retirement benefit plan	-	1,168	-	-	1,168
Unrealised gain on investment revaluation	-	-	-	199	199
Contribution to DB Pension Scheme	(544)	544	-	-	-
Realised gain on investment disposal	(17)	-	-	18	1
Transfer of revaluation depreciation	99	-	(99)	-	-
Deferred tax attributable to above	(26)	-	-	(13)	(39)
Total comprehensive income/ (expense)	135	1,589	(99)	204	1,829
Balance as at 31/12/2025	1,670	1,699	1,961	1,355	6,685

Group & ICAS Statements of Cash Flow for the year ended 31 December 2025

	Notes	2025		2024	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Cash flows from operating activities					
Profit/(Loss) for the year before tax		555	512	(1,388)	(1,684)
Adjusted for:					
Depreciation – historical	10	124	124	218	218
Depreciation – revaluation	10	98	98	98	98
Amortisation – Right of use assets	23	114	114	114	114
(Gain)/loss on sale of investments		(17)	(17)	(56)	(24)
Interest and dividend income	7	(348)	(312)	(410)	(354)
(Gain)/loss on sale of Fixed assets		-	-	56	56
Interest expense on finance leases	23	9	9	9	9
Retirement Benefit Plan payments	20	(544)	(544)	(869)	(869)
Pension expenses included in employment costs	20	123	123	230	230
		114	107	(1,998)	(2,206)
Changes in working capital:					
Decrease/ (increase) in trade and other receivables	15	785	831	(1,188)	(1,210)
Increase/ (decrease) in deferred revenue	18	(4)	(4)	368	368
Increase/ (decrease) in trade and other payables	17	146	109	(382)	(340)
		927	936	(1,202)	(1,182)
Cash generated from operations		1,041	1,043	(3,199)	(3,388)
Tax paid in the year		(6)	(6)	(35)	(35)
Deferred tax	9	(13)	(13)	(19)	(19)
Net cash flows (used in)/generated from operations		1,022	1,024	(3,253)	(3,442)

	Notes	2025		2024	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Cash flows from financing activities					
Principal paid on lease liabilities		(100)	(100)	(102)	(102)
Interest paid on lease liabilities	23	(9)	(9)	(9)	(9)
Net cash flows used in financing activities		(109)	(109)	(111)	(111)
Cash flows from investing activities					
Purchase of property, plant and equipment	10	(7)	(7)	(288)	-
Purchase of listed investments	13	(517)	(517)	(331)	(8,180)
Investment in fixed term deposits		(5,501)	(5,500)	(8,568)	-
Proceeds from disposal of listed investments	13	449	449	-	4,700
Proceeds from disposal of fixed term deposits		5,615	5,000	5,088	-
Proceeds from disposal of PPE	10	-	-	-	280
Interest received	7	269	233	329	74
Dividends received	7	79	79	81	(3,414)
Net cash flows (used in)/ generated from investing activities		387	(263)	(3,690)	(6,967)
Net increase in cash and cash equivalents		1,300	652	(7,054)	11,828
Cash in bank and on hand at 1 January 2025		5,165	4,861	12,219	4,861
Cash in bank and on hand at 31 December 2025	16	6,465	5,513	5,165	11,828

Notes to the Financial Statements

1. General information

ICAS is a professional body incorporated in the United Kingdom by Royal Charter in 1854. The principal office is located at:
CA House
21 Haymarket Yards
Edinburgh
EH12 5BH

The nature of the Group's operations and its principal activities are set out in page 48. These Consolidated Financial Statements are presented in Sterling which is ICAS' functional currency. All financial information presented in Sterling has been rounded to the nearest thousand, except where otherwise indicated.

2. Material accounting policy information

The accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Basis of accounting

These financial statements have been prepared in accordance with UK adopted international accounting standards.

The financial statements have been prepared on the historical cost basis, except for the revaluation of Land & Buildings, Art and Silverwork, Investments and the Defined Retirement Benefit Plan, which are held at fair value. The policies adopted are set out below.

Adoption of new and revised standards

The following standards that came into effect in the financial year ended 31 December 2025, but had no material impact on the financial statements:

Amendments to IAS 21 – Lack of Exchangeability

New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early, unless stated otherwise).

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments
- (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)
- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback; and
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements.

The following amendment is effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group and ICAS does not expect any of these standards issued by the IASB, but not yet effective, to have a material impact on the Group and ICAS.

Going concern

Council has a reasonable expectation, at the time of approving the financial statements, that ICAS has adequate resources to continue its operations and meet its liabilities as they fall due over the three-year period assessed. Council has no reason to believe that ICAS will not be viable over a

longer period and a three-year period reflects the current cycle and outlook of key financial inputs, primarily the life cycle of a student cohort. For this reason, it continues to adopt the going concern basis in preparing these financial statements.

Basis of consolidation

The Consolidated Financial Statements incorporate the financial statements of ICAS and its associated Charitable Trust, the ICAS Foundation. Whilst the Trustees of the ICAS Foundation act independently of ICAS in fulfilling the charitable objectives of the Trust, ICAS has provided funding and considerable support for the administration and fundraising of the charity in 2025 and prior years. The effect of the detailed requirements of IFRS is to require consolidation of the ICAS Foundation into the financial statements of ICAS, based on an assessment of indicators of control. All intra-group transactions, balances, revenue and expenses are eliminated on consolidation.

The ICAS Foundation has £2,162k of net assets including investments of £395k, cash and cash equivalents of £1,055k and creditors of £446k representing accruals and bursaries payable. In addition to in kind support, ICAS donated £300k to the ICAS Foundation in 2025 (2024: £300k).

Revenue recognition

Revenue is recognised in a number of ways. Revenue recognition by income stream is detailed below. The main operating revenue streams are recognised as follows:

Subscriptions

All performance obligations relating to this income are discharged in the period covered by the membership fee. There is a fixed unit price for subscriptions, therefore, there is no judgement

involved in allocating the price to each unit ordered in such contracts or services.

Subscriptions are recognised in the year when they fall due and only when the payment is received. Revenue received in advance is carried forward and included in liabilities as deferred revenue.

Regulation

There is limited judgement needed in identifying the point control passes as once delivery of the services to the agreed parties has occurred, ICAS usually will have a present right to payment. For most agreements, there is a fixed unit price for each product or service sold. Therefore, there is no judgement involved in allocating the price to each unit ordered in such contracts or services. Where a customer orders more than one product or service, the Group is able to determine the split of the total contract price between each product or service by reference to each product or services' standalone selling price (products or services are capable of being, and are, sold separately).

There is a fixed unit price for regulation fees, therefore, there is no judgement involved in allocating the price to each unit ordered in such contracts or services. Regulation fees cover Insolvency Practitioner, Practising Certificate and other associated fees.

Regulation fees are recognised in the year when they fall due and only when the payment is received. Revenue received in advance is carried forward and included in liabilities as deferred revenue.

Member & other

There is limited judgement needed in identifying the point control passes as once delivery of the

services to the agreed parties has occurred, ICAS usually will have a present right to payment. For most agreements, there is a fixed unit price for each product or service sold. Therefore, there is no judgement involved in allocating the price to each unit ordered in such contracts or services.

Where a customer orders more than one product or service, the Group is able to determine the split of the total contract price between each product or service by reference to each product or services' standalone selling price (products or services are capable of being, and are, sold separately).

Magazine sales and advertising revenue is recognised in the month of publication. ICAS member events, conferences, and business course revenue, including sponsorship, is recognised at the date of the event. CA jobs revenue is invoiced in advance and revenue is recognised over the period of the advertising contract. Commission revenue is recognised annually based on the BPP business course revenue in the previous year. Charitable donations and revenue in the ICAS Foundation are recognised when they are received.

Tuition

There is limited judgement needed in identifying the point control passes as once delivery of the services to the agreed parties has occurred, ICAS usually will have a present right to payment. For most agreements, there is a fixed unit price for each product or service sold. Therefore, there is no judgement involved in allocating the price to each unit ordered in such contracts or services. Where a customer orders more than one product or service, the Group is able to determine the split of the total contract price between each product or service by reference to each product or services' standalone selling price (products or services are capable of being, and are, sold separately).

Class fees are recognised when a class starts, and exam fees are recognised at the date of the exam. Income from fully on-line classes is recognised when log in details are made available to students. Training contract registration fees are received

in advance for the full period of the training contract which is between 3 and 5 years. These are released evenly over the life of the training contract. An adjustment is made to recognise income immediately for students who do not complete their training contract. Revenue received in advance is carried forward and included in liabilities as deferred revenue. Education class fees received prior to the year end, for classes for the following year, are deferred into the following year.

Admission

Admission fees are initially received when a student is admitted to membership and are deferred and released to income when the goods or services relating to the admission fees have been performed, as it is determined that the performance obligation is spread over time (34 years). Admission fees also include amounts in respect of performance obligations which occur at a specific point in time with such amounts recognised in the year of admission.

Non-refundable admission fees charged to new members are recognised on commencement of membership over the expected average period of active membership, net of performance obligations provided at the point of admission. Revenue received in advance is carried forward and included in liabilities as deferred revenue. Admission fees where the income is received prior to the year end is released over the average period of active membership.

Investment income

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established. Interest accrued is recognised on a daily basis.

Expenditure recognition

Expenditure is recognised at a point in time when control of the goods has transferred to the Group. Where orders are more than one product line, the Group is able to determine the split of the total contract price between each product line by reference to each to the standalone purchase price. Expenditure related to a specific period of time

or service is recognised in that period. Goods or services delivered, for which the invoice has not been received, are accrued in the accounting period that they are received.

ICAS Foundation expenditure is recognised on an accruals basis. Grants and bursaries are recognised when the recipient receives notification that they will receive the grant and any conditions attached to the grant are outside the control of the ICAS Foundation.

Leases

The majority of the Group's accounting policies for leases are set out in Note 23.

Identifying leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- (a) There is an identified asset.
- (b) The Group obtains substantially all the economic benefits from use of the asset.
- (c) The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

Property, plant & equipment (PPE)

In determining whether the Group obtains substantially all of the economic benefits from use of the asset, the Group considers only the economic benefits that arise from the use of the asset, not those incidental to legal ownership or other potential benefits.

Land and buildings are carried at Council's estimate of fair value, based on valuations conducted every 3-years by professional valuers, with subsequent additions at cost. Surpluses on revaluation are transferred to the revaluation reserve. Deficits on revaluation are charged against the revaluation reserve to the extent that

there are available surpluses relating to the same asset and are otherwise charged to the income statement. Depreciation is not charged on land. Buildings are depreciated over 50 years on the revalued amount. A valuation of the land and buildings was made as at 31 December 2024 in line with the 3-year revaluation cycle.

Improvements to Right of Use properties, which are included within the buildings category at Note 10, are capitalised at cost and are depreciated on a straight line basis over the shorter of their estimated useful lives and the remaining lease term.

Other equipment, comprising IT hardware and furnishings are depreciated on a straight-line basis over the estimated useful lives of the assets ranging from 2 to 10 years.

Grants received on capital expenditure are deducted in arriving at the carrying amount of the asset purchased when the criteria for retention have been satisfied and are netted against the asset purchased.

Intangible assets

All intangible assets, both internal and external, have finite useful lives. Intangible assets comprise both purchased and internally generated software and are stated at cost. Costs to develop software internally are capitalised after the research phase and when it has been established that the project is technically feasible and ICAS has both the intention and ability to use the completed asset. The costs of internally generated software relate to external contractor and internal staffing costs in the development phase and are stated at cost. Amortisation is charged on a straight-line basis over the estimated useful life of the software of 3 to 5 years.

Right of use assets

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the

nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Depreciation and amortisation

Depreciation and amortisation are charged to write off the cost or valuation of the assets, other than land, over their estimated useful lives and assume nil residual values. The estimated useful lives, residual values and depreciation or amortisation method are reviewed by class of asset at each year end, with any changes in estimate accounted for in current and future years. The amortisation charge is included in other operating charges.

Impairment of PPE, intangible assets and right of use assets

At each period end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent of any revaluation surplus recognised in reserves. An external valuation of CA House is carried out every 3 years with an impairment review in alternate years.

The recoverable amount is the higher of fair value less realisation costs and value in use. Value in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in first out (FIFO) basis. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation. An allowance is recorded for obsolescence, where appropriate.

Financial assets

The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Group's accounting policy for each category is as follows:

Amortised cost

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

From time to time, the Group elects to renegotiate the terms of trade receivables due from customers with which it has previously had a good trading history. Such renegotiations will lead to changes in the timing of payments rather than changes to the amounts owed and, in consequence, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the consolidated statement of comprehensive income (operating profit).

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Fair value through other comprehensive income
The Group has a number of strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to general fund and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount. Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair

value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

Interest bearing investments, equities and unit trusts held for the purposes of generating long-term investment income are treated as non-current investments and are included at bid price at the year-end date. Equity investments classified as financial assets under IAS 39 have been classified as being at Fair Value through Other Comprehensive Income (FVTOCI) under IFRS 9. All fair value gains in respect of those assets are recognised in other comprehensive income and accumulated in the equity investment reserve, and these are not recycled to profit or loss.

Financial liabilities

The Group classifies its financial liabilities into one category of amortised cost. The Group's accounting policy for the category is as follows:

Trade and other payables

Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Other non-current assets

This is artwork and silverware held as an investment at fair value based on valuations by an expert third party conducted on a regular basis. Surpluses on revaluation are transferred to the revaluation reserve. Deficits on revaluation are charged against the revaluation reserve to the extent that there are available surpluses relating to the same asset and are otherwise charged to the income statement.

Taxation

Corporation tax arises on ICAS chargeable gains, investment income less any charitable donations, and trading profits.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. In respect of deferred tax assets arising from investment property measured at fair value, the presumption that recovery will be through sale rather than use has not been rebutted. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are recognised as a component of tax expense in other comprehensive income, in which case the related deferred tax is also recognised in other comprehensive income.

Retirement benefits

Defined benefit plan

The Group operates an externally managed contributory Retirement Benefit Plan for permanent staff (the Plan was closed to new members on 31 March 2003 and to future accrual on 30 September 2010). The expected costs of

providing pensions under this Plan are calculated by qualified actuaries using the projected unit credit method. Actuarial gains and losses are recognised in other comprehensive income as they are incurred.

The retirement benefit asset or obligation recognised in the statement of financial position represents the net of the present value of the defined benefit obligation and the fair value of Plan assets. Where the fair value of the Plan assets exceeds the present value of the obligation, the asset recognised in the statement of financial position is measured as the lower of the net asset value and any cumulative unrecognised net actuarial losses and past service cost plus the present value of any economic benefits available in the form of refunds from the Plan or reductions in future contributions to the Plan.

Defined Contribution Plan

The Group has established a Defined Contribution Pension Plan for staff. Contributions to the Plan are charged to the Income Statement as they are incurred.

3. Critical accounting judgements & key sources of estimation

The preparation of the financial statements requires ICAS to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures. Council members base their estimates on historical experience and other assumptions that they believe are appropriate under the circumstances, the results of which form the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may ultimately differ from those estimates.

Critical accounting judgements and key sources of estimation uncertainty relate to the interpretation of the Defined Benefit Retirement Benefit Plan rules and the pension actuarial assumptions (Note 20), cost of internally generated intangible assets (Note 11), and the application of IFRS 15 to deferral of income (Note 18).

Estimations

In relation to IFRS 15, Council considered appropriate critical accounting estimates relevant to income streams, the outcome of which is noted in the accounting policy relating to income.

Admission fees

The deferral of income relating to admission fees period requires key estimates, including assessing the period over which the membership benefits are delivered based on observed average durations and historic information. The deferral period used is 34 years. This is based on the average period of working years' membership – derived from membership statistics evidencing an average joining age of 25, the age at which retirement is applied for all members of 65, and averages of resignations and deaths over that period.

A review of the deferral period is carried out annually and would require a significant change in that period to have a material impact upon the accounts. The review in 2025 indicated no material change to the deferral period.

Income is deferred, net of the costs of the admissions ceremony, and is then released on a straight-line basis over the remaining period. The remaining period is reviewed annually and is currently 34 years. The release profile of the deferred admissions income is:

	2025	2024
	Group and ICAS	Group and ICAS
	£'000	£'000
Not later than one year	298	293
Later than 1 year but not later than 2 years	294	287
Later than 2 years but not later than 5 years	851	833
Later than 5 years	4,385	4,328
	5,828	5,741

Retirement Benefit Obligation

In the process of applying the Group's accounting policies, which are described in Note 2, Council has provided the Actuary with key assumptions required to calculate the retirement benefit obligation. The assumptions, which were agreed after taking expert, professional advice, are listed at Note 20.

Lease discount rate

Where the interest rate implicit in the lease cannot be readily determined, lease liabilities are discounted at the lessee's incremental borrowing rate. This is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. This involves assumptions and estimates, which would affect the carrying value of the lease liabilities (Note 23) and the corresponding right-of-use assets (Note 23).

The IFRS 16 discount rate of 6% has been established with reference to the notional borrowing rate that ICAS could expect to achieve in the market. ICAS have adopted this rate from 2022, as this would be charged on any future borrowing.

A 0.5% decrease in the rate would cause the lease liability to increase by £4k with a corresponding movement in the 'cost' of the right-of-use asset which would increase the associated amortisation.

A 0.5% increase in the rate would cause the lease liability to decrease by £4k with a corresponding movement in the 'cost' of the right-of-use asset which would decrease the associated amortisation.

4. Segmental information

All segments of operational activity are continuing and based in the UK. For management purposes, the Group was organised into 6 (2024: 6) strategic business units based on the different products and services offered. The segmental information reflects the management structure for decision-making. The individual segments do not include any allocation of the central Business Services costs.

The principal activities are as follows:

Learning

Learning comprises training and examination of students leading to the CA qualification, and the ICAS Tax Qualification. Costs of the operational delivery of education (e.g. examination administration), including staff costs are recharged to this segment.

Member engagement and communications

This segment comprises the member and student events, Marketing (including PR and digital marketing) and Professional Development. It also includes CA Dinners, Conferences, and the CA Magazine. This unit now also includes the Policy and Practice Support Teams.

Regulation

This segment comprises the ICAS involvement in the issue and control of practising certificates, insolvency permits and audit registration, participation in the FRC Public Discipline Scheme, quality review and in-house ethical, investigation, disciplinary and other legal issues.

Business services

This segment comprises the ICAS support services of Finance, Facilities, Human Resources and Data Insights, and also includes the Executive group. The net cost of this segment is not reallocated for business reporting purposes. This segment provides central services for all the other segments.

Customer experience

This segment comprises of Digital, the delivery of the operational support of education (i.e. examinations), the administration of the student and members' database and a Channels team established to deal with all customer enquiries to ICAS. Subscription fee revenues are included in this section as are the costs of the operational delivery of education while the associated staffing costs have been recharged to Learning.

ICAS Foundation

The ICAS Foundation is shown as a separate segment.

Group	2025				2024			
	Revenue	Employment Costs	Operating Charges	Operating profit/(loss)	Revenue	Employment Costs	Operating Charges	Operating profit/(loss)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Learning	9,292	(3,884)	(1,592)	3,816	8,006	(3,844)	(477)	3,685
Members	280	(1,930)	(752)	(2,402)	338	(2,407)	(1,759)	(3,828)
Regulation	2,588	(1,970)	(790)	(172)	2,494	(1,402)	(667)	425
Business Services	245	(2,367)	(3,271)	(5,393)	221	(2,671)	(3,476)	(5,926)
Customer Experience	10,404	(2,262)	(3,799)	4,343	9,876	(1,887)	(4,343)	3,646
ICAS Foundation	279	(272)	-	7	333	(219)	95	209
Total	23,088	(12,685)	(10,204)	199	21,268	(12,430)	(10,627)	(1,789)

ICAS	2025				2024			
	Revenue	Employment Costs	Operating Charges	Operating profit/(loss)	Revenue	Employment Costs	Operating Charges	Operating profit/(loss)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Learning	9,292	(3,884)	(1,592)	3,816	8,006	(3,844)	(477)	3,685
Members	280	(1,930)	(752)	(2,402)	338	(2,407)	(1,759)	(3,828)
Regulation	2,588	(1,970)	(790)	(172)	2,494	(1,402)	(667)	425
Business Services	245	(2,367)	(3,271)	(5,393)	221	(2,671)	(3,476)	(5,925)
Customer Experience	10,404	(2,262)	(3,799)	4,343	9,876	(1,887)	(4,343)	3,646
Total	22,809	(12,413)	(10,204)	192	20,935	(12,210)	(10,722)	(1,997)

In 2025 and 2024, inter-segment transactions related to ICAS providing funding for the ICAS Foundation.

For ICAS only, total revenues amounted to £22,809k (2024: £20,935k). Revenues from the 4 largest customers are disclosed in Note 22. The disaggregation of ICAS revenue is as above for the group excluding ICAS Foundation revenue.

Revenue is UK generated with the exception of members based worldwide and consultancy provided by Education and Professional Standards outside the UK. Information on major customers is detailed in Note 22 on Financial Risk Management.

The Group has disaggregated revenue into various categories in the tables below, which is intended to depict the nature, amount, timing and uncertainty of revenue and cash flows and enable users to understand the relationship with revenue segment information.

Group – 2025	Subscriptions	Regulation	Member & Other	Tuition	Admission	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Learning	-	-	-	8,925	367	9,292
Members	-	-	280	-	-	280
Regulation	-	2,588	-	-	-	2,588
Business Services	-	-	245	-	-	245
Customer Experience	10,404	-	-	-	-	10,404
ICAS Foundation	-	-	279	-	-	279
Total	10,404	2,588	804	8,925	367	23,088

Group – 2024

	Subscriptions	Regulation	Member & Other	Tuition	Admission	Total
	£'000	£'000		£'000	£'000	£'000
Learning	-	-	-	7,643	363	8,006
Members	-	-	338	-	-	338
Regulation	-	2,494	-	-	-	2,494
Business Services	-	-	221	-	-	221
Customer Experience	9,876	-	-	-	-	9,876
ICAS Foundation	-	-	333	-	-	333
Total	9,876	2,494	892	7,643	363	21,268

5. Employment costs

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Salaries	10,362	10,136	10,219	10,035
Social Security costs	1,270	1,244	1,081	1,061
Pension costs – Defined Benefit Plan	123	123	230	230
Pension costs – Defined Contribution Plan	930	910	900	884
Total	12,685	12,413	12,430	12,210

All contracts of employment have a notice period of one year or less including the contracts of the Chief Executive and Executive Directors. The Executive Directors are considered to be the key management personnel of ICAS.

The Chief Executive receives a reward package that, in addition to salary, includes ICAS core and flexible benefits, car allowance, private health care and an annual bonus at the discretion of the Remuneration Committee based on performance. The Chief Executive is not a member of either the Defined Benefit Plan or the Defined Contribution Plan. Bonus payments to the Executive Directors are at the discretion of the Remuneration Committee based on an evaluation of individual performance.

Remuneration of the executive team

The remuneration of the Chief Executive and Executive Directors is disclosed below:

	Executive Directors (excluding Chief Executive)		Chief Executive	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Salary	803	676	288	281
Social security costs	106	84	42	31
Bonus	108	105	82	80
Other Allowances	40	40	10	10
Pension costs	62	61	-	-
Total	1,119	965	422	403

The bonus amount disclosed in this table are the amounts approved by the Remuneration Committee. They are not the same as the bonus costs included in the employment costs table, which include adjustments for previous year accruals and payments.

Employees

The number of full time equivalent (FTE) employees at 31 December 2025 was 177 (2024: 192) and the average number of employees during the year was 178 (2024: 188), made up as follows:

	2025		2024	
	Group No.	ICAS No.	Group No.	ICAS No.
Learning	57	57	59	59
Members	27	27	39	39
Regulation	24	24	18	18
Business Services	28	28	34	34
Customer Experience	37	37	34	34
ICAS Foundation	5	-	4	-
Total	178	173	188	184

6. Other operating charges

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Education external contractors	2,353	2,353	2,694	2,694
Professional fees	586	577	934	927
Rent & venue hire	81	81	90	90
Paper, print & magazine production	660	660	628	628
Staff & committee travel & accommodation	334	334	242	242
Member events and hospitality	751	751	676	676
Training, recruitment & other related costs	522	522	376	376
Depreciation and amortisation	336	336	430	430
Apprentice Levy	34	34	34	34
Subscription charges	1,185	1,185	1,256	1,256
Property costs including rates	620	620	632	632
Postage	18	18	23	23
Advertising & promotion	352	352	366	366
IT maintenance	1,041	1,041	899	899
Unrecovered VAT	226	226	257	257
Telephone	115	115	118	118
Donation to ICAS Foundation	-	300	-	287
ICAS research and initiatives	-	-	129	129
Bursaries awarded	256	-	158	-
Regulatory costs	216	216	214	214
Equipment Hire	102	102	99	99
Bank and Credit Card Charges	203	203	185	185
Other	213	178	187	160
Total	10,204	10,204	10,627	10,722

7. Finance income

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Interest income				
Current account	41	41	59	59
Deposit account	228	192	270	221
	269	233	329	280
Dividend income	79	79	81	74
Total finance income	348	312	410	354

8. Profit/ (loss) from operations

Profit/ (loss) from operations is arrived at after charging:

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Depreciation (Note 10)	222	222	316	316
Amortisation of Right of Use assets (Note 23)	114	114	114	114
Employment costs (Note 5)	12,685	12,413	12,430	12,210
Auditor remuneration (see below)	66	57	68	61
Non-audit services (see below)	11	11	14	14
Bursaries awarded	256	-	158	-
Charges related to low value leases	102	102	99	99

Profit/ (loss) from operations (continued)

A more detailed analysis of auditor's remuneration is provided below:

	2025		2024	
	£'000	%	£'000	%
Audit service – ICAS	57	74%	61	75%
Audit service – ICAS Foundation	9	12%	7	9%
Tax compliance services	11	15%	14	17%
Total	77	100%	82	100%

9. Taxation

Profit /(loss) from operations is arrived at after charging:

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Current tax				
Current UK Corporation Tax	13	13	24	24
Deferred tax				
Current year (Note 19)	-	-	(5)	(5)
Taxation	13	13	19	19

In addition to the amount charged to the Income Statement for accelerated depreciation, net deferred tax relating to the revaluation of ICAS' listed investments and other assets (net of allowances for indexation), the Retirement Benefit asset amounting to a credit of £1,168k (2024: credit of £1,322k) has been recognised in Other Comprehensive Income.

The credit for the year can be reconciled to the profit/ (loss) in the Income Statement as follows:

	2025	2024
	£'000	£'000
Profit/(loss) before tax for the Group	555	(1,388)
Tax at the UK corporation tax rate of 19% (2022: 19%)	(105)	(264)
Deferred tax charge	-	5
Tax effect of mutual activity*	92	240
Tax charge for the year	(13)	(19)

*ICAS is not required to pay tax on its membership and educational activities which HMRC regard as mutual activities.

10. Property, plant & equipment

Group & ICAS:	Land (Fair Value)	Buildings (Fair Value)	IT Equipment (Cost)	Furniture (Cost)	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation:					
1 January 2024	1,200	5,101	568	498	7,367
Additions	-	31	79	178	288
Disposals	-	(131)	-	(161)	(292)
Revaluations	30	(1,638)	-	-	(1,608)
At 31 December 2024	1,230	3,363	647	515	5,755

Group & ICAS:	Land (Fair Value)	Buildings (Fair Value)	IT Equipment (Cost)	Furniture (Cost)	Total
	£'000	£'000	£'000	£'000	£'000
Accumulated depreciation:					
1 January 2024	-	(686)	(543)	(319)	(1,548)
Provided in year – historical	-	(153)	(25)	(40)	(218)
Provided in year – revaluation	-	(98)	-	-	(98)
Disposals	-	109	-	126	235
Eliminated on revaluation	-	353	-	-	353
At 31 December 2024	-	(475)	(568)	(233)	(1,275)

Carrying Value at 31 December 2024	1,230	2,888	79	282	4,479
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Group & ICAS:	Land (Fair Value)	Buildings (Fair Value)	IT Equipment (Cost)	Furniture (Cost)	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation:					
1 January 2025	1,230	3,363	647	515	5,755
Additions	-	1	2	4	7
At 31 December 2025	1,230	3,364	649	519	5,762

Group & ICAS:	Land (Fair Value)	Buildings (Fair Value)	IT Equipment (Cost)	Furniture (Cost)	Total
	£'000	£'000	£'000	£'000	£'000
Accumulated depreciation:					
1 January 2025	-	(475)	(568)	(233)	(1,275)
Provided in year – historical	-	(61)	(25)	(38)	(124)
Provided in year – revaluation	-	(98)	-	-	(98)
At 31 December 2025	-	(634)	(593)	(271)	(1,498)

Carrying Value at 31 December 2025	1,230	2,730	56	248	4,264
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Group & ICAS:

ICAS land and buildings are valued at fair value. Under IFRS 13 Fair Value Measurement the assets are defined as level 2. The following sets out the valuation techniques used in the determination of fair values within level 2 including the key observable inputs (such as market data of comparable buildings in a similar location) and the relationship between that to fair value.

A valuation was carried out as at 31 December 2024 by Jones Lang LaSalle per the three-year revaluation schedule policy. The valuation was in accordance with the RICS Appraisal and Valuation Standards, published by The Royal Institution of Chartered Surveyors on the basis of market value. Valuations are performed with sufficient regularity such that the carrying amount does not differ. The land and property value, excluding leasehold property, at 31 December 2025 was £3,951k (2024: £4,100k).

Leasehold improvements included within buildings above amount to a NBV of £9k (cost £234k, depreciation £225k).

The fair value of land and buildings is a level 2 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below:

	£'000
At 1 January 2025	4,100
Depreciation charge	(149)
At 31 December 2025	3,951

At 31 December 2025, had the land and buildings been carried at historical cost less accumulated depreciation, their carrying value would have been £2,247k (2024: £2,302k). The historical cost of CA House is stated net of a grant of £1,800k received from The Scottish Chartered Accountants' Trust for Education (SCATE), now part of the ICAS Foundation. The main condition of this grant was for ICAS to maintain a certain level of involvement in education and research in accountancy, finance and management.

Included in the gross value of property, plant and equipment are fully depreciated assets of £1,939k (2024: £1,858k).

The ICAS collection of Antiquarian Books, dating from 1494, which have been acquired by or donated to ICAS has a net book value of £nil. There are restrictions over ICAS' rights regarding the collection, which is on deposit at the National Library of Scotland and is accessible to the public on request.

11. Intangible assets

Group & ICAS:	Externally purchased £'000	Internally generated £'000	Total £'000
Cost:			
1 January 2024	167	805	972
At 31 December 2024	167	805	972
Amortisation:			
1 January 2024	(167)	(805)	(972)
Provided in year	-	-	-
At 31 December 2024	(167)	(805)	(972)
Carrying value at 31 December 2024	-	-	-
Cost:			
1 January 2025	167	805	972
At 31 December 2025	167	805	972
Amortisation:			
1 January 2025	(167)	(805)	(972)
At 31 December 2025	(167)	(805)	(972)
Carrying value at 31 December 2025	-	-	-

Intangible assets relate to purchased software and associated consultancy costs and internally generated software which comprises external consultancy and internal staffing costs incurred in developing ICAS information and reporting systems. Such assets are amortised over their expected useful lives.

12. Investments in associated bodies

Profit from operations is arrived at after charging:

	2025		2024	
	Shareholding %	Cost £	Shareholding %	Cost £
CCAB Limited	8.6	86	8.6	86
Chartered Accountants Compensation Scheme Limited	10	100	10	100
		186		186

Consultative Committee of Accountancy Bodies (CCAB)

The CCAB undertakes activities of mutual interest to the five major accountancy bodies in the British Isles.

Chartered Accountants compensation scheme limited

Administers and evaluates claims for compensation arising from the obligations of the three Institutes of Chartered Accountants as a Designated Professional Body under the Financial Services & Markets Act 2000.

Council considers that the fair value of unlisted investments is equal to cost. ICAS does not hold any financial investment in the Charitable Trust noted at Note 2, Basis of Consolidation.

13. Investments

Listed Investments	2025		2024	
	Group £'000	ICAS £'000	Group £'000	ICAS £'000
Investments at fair value				
As at 1 January	4,826	3,414	4,234	3,172
Additions	517	517	3,339	1,945
Disposals	(449)	(449)	(3,009)	(1,946)
(Loss)/gain on fair value through other comprehensive income	171	198	262	243
At 31 December	5,065	3,680	4,826	3,414

The listed investments are valued monthly to market value (bid price). A security to the value of £633k is held over ICAS' investment portfolio in favour of the Retirement Benefit Plan.

All listed investments are held at fair value through the OCI, and the Group value is £5,065k (2024: £4,826k). The fair value of quoted investments is based on published market prices.

Investments are broken down as follows:

	2025		2024	
	Group £'000	ICAS £'000	Group £'000	ICAS £'000
Bonds/Fixed Interest	925	925	827	827
Equities	2,255	2,255	2,187	2,187
Alternatives/Cash Products	69	69	-	-
Hedge Funds/Target Absolute Return	1,628	244	1,644	232
Property	188	188	168	168
At 31 December	5,065	3,681	4,826	3,414

14. Other non-current assets

	2025		2024	
	Group £'000	ICAS £'000	Group £'000	ICAS £'000
Art and Silverwork at 1 Jan 24	936	936	712	712
Gain on Revaluation	-	-	224	224
Art and Silverwork at fair value	936	936	936	936

Artwork and Silverwork are valued at fair value. Under IFRS 13 Fair Value Measurement the assets are defined as level 2. The following sets out the valuation techniques used in the determination of fair values within level 2 including the key observable inputs (such as market data of comparable pieces) and the relationship between that to fair value.

The art and silverwork were donated to ICAS by former members. The Group obtained a formal valuation of the painting by Sotheby's and silverwork by Lyon & Turnbull in December 2024 and the next formal valuation will be December 2027. Valuations will be performed with sufficient regularity such that the carrying amount should not differ materially from that which would be determined using fair values at the period end date.

15. Trade and other receivables

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Trade receivables	1,224	1,210	1,883	1,871
Other receivables	313	236	439	417
Prepayments	795	789	794	777
	2,332	2,235	3,116	3,065

Receivables for goods and services provided at the period end date represent an average credit period of 37 days (2024: 53 days). No interest is charged on the receivable amounts. Included in the Group's trade receivable balance are overdue balances totalling £961k (2024: 1,581k). Aged debt is monitored closely, with overdue balances followed up on a timely basis. £21k has been provided against doubtful debts at the period end date (2024: £6k).

Ageing of past due but unimpaired receivables:

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
30 – 60 days	811	811	956	956
60 – 90 days	144	144	183	183
90 – 120 days	2	2	453	453
120+ days	4	4	(10)	(10)
	961	961	1,582	1,582

Of the trade receivables balance at the year end, £581k (2024: £1,422k) is due from the 4 largest customers. There are no other customers who represent more than 5.7% (2024: 5.8%) of the total balance of trade receivables.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and ageing.

The expected loss rates are based on the Group's historical credit losses experienced over a three-year period. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. The Group has identified the gross domestic product (GDP), unemployment rate and inflation rate as the key macroeconomic factors in the countries where the Group operates.

16. Cash and fixed term deposits

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Cash and cash equivalents	6,465	5,513	5,165	4,861
Fixed term deposits	4,266	4,166	4,355	3,642

Cash and cash equivalents comprise cash held with banks and other short-term highly liquid investments up to 90 days. Fixed term deposits are cash on deposit for more than 90 days. They do not include interest-bearing investments held for the longer term.

17. Trade and other payables

Trade and other payables at the period end date comprise amounts outstanding for trade purchases and on-going costs. Trade payables at the year-end represent an average of nil days' purchases (2024: nil days). The Council considers that the carrying amount of trade payables approximates to their fair value.

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Current:				
Trade payables	791	815	247	263
Bursaries payable	210	-	170	-
Taxation and social security costs	849	849	863	863
Amounts held on behalf of members	-	-	23	23
Accruals and other creditors	1,161	1,146	1,558	1,552
	3,011	2,810	2,861	2,701
Non-Current:				
Bursaries payable	170	-	174	-
	170	-	174	-

Bursaries payable are payments due by the ICAS Foundation under bursary awards notified prior to the year end.

18. Deferred revenue

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Fees in advance:				
Subscriptions	4,835	4,835	4,371	4,371
Admission fees	5,828	5,828	5,741	5,741
Class fees and training contracts	896	896	981	981
Regulation fees	493	493	948	948
Other deferred revenue	67	67	81	81
	12,119	12,119	12,123	12,123

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Analysed as follows:				
Current	6,304	6,304	6,349	6,349
Non-current	5,815	5,815	5,774	5,774
	12,119	12,119	12,123	12,123

Movement on contract balances are summarised below in accordance with IFRS 15:

	2025		2024	
	Class fees & training contracts	Member admission	Class fees & training contracts	Member admission
	£'000	£'000	£'000	£'000
At 1 January	981	5,741	1,069	5,680
Received in year	564	381	616	348
Released in year	(649)	(293)	(704)	(287)
At 31 December	896	5,828	981	5,741

“Received in the year” in respect of contract liabilities represents cash received in advance of performance and not recognised as revenue in the period. “Released in the year” in respect of contract liabilities represents revenue recognised in the period that was included in the contract liability at the beginning of the period.

Contract liabilities for subscriptions and regulation fees received in advance at each reporting date are recognised as revenue in the following year.

19. Deferred tax

Group & ICAS:	2025		2024		Total
	Accelerated Tax Depreciation	Revaluation of Other Assets	Revaluation of Investments	Retirement Benefit Plan	
	£'000	£'000	£'000	£'000	£'000
At 1 January 2024	21	426	224	(12)	659
Release to income (Note 9)	(5)	-	-	-	(5)
Charge/(credit) to other comprehensive income	-	68	17	12	97
At 1 January 2025	17	494	241	-	752
Charge to other comprehensive income	-	-	13	26	39
At 31 December 2025	16	494	254	26	790

20. Retirement Benefit Surplus / (Obligation)

As at 31 December 2025, ICAS operated two pension plans for the benefits of its employees, a defined contribution plan and a defined benefit plan.

Defined contribution plan

ICAS established a defined contribution pension plan in 2003, which is available to all staff. Contributions to this plan are charged to the Income Statement as they are incurred. Defined contribution pension costs for the Group in 2025 were £544k (2024: £869k).

Defined benefit plan

The Group operates a plan, providing retirement benefits, based on years of service and a 3-year average of pensionable salary at retirement. As a result of significantly increased pension servicing costs and contribution levels, it was decided to close the plan to new members of staff as at 31 March 2003 and to future accrual from 30 September 2010. Defined benefit pension costs in 2025 were £123k (2024: £230k).

The plan is managed by a Board of Trustees which has responsibility for administering the plan within the regulatory framework of the Trust Deed and the relevant legislation. The Trustees have responsibility for the plan investment strategy. ICAS is responsible for making contributions to support the plan as required under the Schedule of Contributions, and for paying the plan expenses and PPF Levy. In 2025, ICAS made plan deficit contributions of £400k (2024 deficit contributions £700k) and funded £144k (2024: £169k) for plan expenses. Pension obligations are valued separately for accounting and funding purposes, with IAS19 being based on best estimates and funding valuations on prudent assumptions.

Details of the group's defined benefit plan are as follows:

	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
Reconciliation to consolidated statement of financial position		
Fair value of Plan assets	21,379	20,933
Present value of funded obligations	(19,680)	(20,823)
Net asset/(liabilities)	1,699	110

The net asset in 2025, consistent with 2024 and previous years, has been recognised in accordance with the requirements of IAS19. ICAS has the ability to recover the asset value from future actuarial valuation contributions.

The level of contribution required to fund the plan is determined by a qualified actuary on a triennial basis using the projected unit method. The Triennial Valuation is prepared for funding purposes on a prudent basis and therefore uses different assumptions from those used in the IAS19 valuation.

The results of the actuarial valuation as at 1 January 2023 showed a deficit of £2,491k. ICAS has agreed with the Trustees to target removal of this deficit over a period of 5 years from 1 January 2023, by payment of contributions of £300k in respect of 2023, £400k in 2024 and 2025, and £500k in 2026 and 2027.

In common with other plans the Trustees also receive an estimate from the actuary of the cost to buy out the liabilities of the plan, which at the date of the last triennial valuation was £9.8m, however, wind up of the plan cannot be triggered without the employer's consent and ICAS continues to be committed to funding the plan on an affordable ongoing basis.

	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
Reconciliation to plan assets		
At 1 January	20,933	22,024
Interest income	1,108	948
Current services costs	(144)	(169)
Contributions by employer including costs of managing plan assets	544	869
Benefits paid	(1,005)	(1,355)
Actuarial (loss)/ gain	(57)	(1,384)
At 31 December	21,379	20,933

Composition of plan assets

	Fair value of assets	
	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
Matching Funds	-	6,642
Liquidity Fund	-	55
Diversified Fund	2,165	2,119
Equity Funds	2,499	2,120
Securitised Fund	3,075	2,967
JPM Unconstrained Bond Fund	-	3,013
M&G Alpha Opportunities Fund	-	3,727
M&G TRCI Fund	2,164	-
L&G LDI Funds	6,680	-
Apollo MAC Replacement Fund	2,661	-
CQS Credit Multi Asset Fund	2,071	-
Cash	64	290
At 31 December	21,379	20,933

The Plan has no investments in ICAS as part of the Plan assets.

Reconciliation to plan liabilities

	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
At 1 January	(20,823)	(23,875)
Interest cost	(1,087)	(1,009)
Benefits paid	1,005	1,355
Actuarial gain	1,225	2,706
At 31 December	(19,680)	(20,823)

Uncertainty surrounding future mortality improvements and the impact of this allowance on funding levels and contribution rates can be significant. Unexpected increases in life expectancy will increase the costs of providing the benefits. An additional one year of life expectancy could be expected to increase liabilities by around 2% to 4%.

Cumulative actuarial losses recognised in other comprehensive income

	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
At 1 January	(8,663)	(9,985)
Actual return less expected return on assets	(57)	(1,384)
Experience gains on the benefit obligation	117	274
Effect of change in demographics assumptions	529	(163)
Effect of change in financial assumptions	579	2,595
At 31 December	(7,495)	(8,663)

There are no unrecognised past service costs.

The amounts recognised within the Group Income Statement, within employment costs, in respect of the Defined Benefit Pension Plan are as follows:

Pension expenses included in employment costs	2025	2024
	Group & ICAS	Group & ICAS
	£'000	£'000
Expected return on plan assets	(1,108)	(948)
Unwinding of discount on plan liabilities (interest cost)	1,087	1,009
Administration costs	144	169
Total	123	230

The actual return on plan assets was a loss of £78k (2024: loss £1,323k). This represents the difference between the expected return on plan assets being a loss of £21k (2024: gain £61k) and the actuarial loss on those assets arising during the period of £57k (2024: loss £1,384k).

Principal actuarial assumptions

Key assumptions used at the period end date are as follows:

	2025	2024
Discount rate on plan liabilities	5.45%	5.35%
Expected increase in deferred pensions (RPI)	2.85%	3.20%
Expected increase in deferred pensions (CPI)	2.45%	2.80%
Inflation rate (RPI)	2.45%	2.80%
Expected future lifespan for members now aged 65		
- Male	20.9	20.6
- Female	23.2	23.1

The weighted average duration of the defined benefit obligation is at approximately 11 years (2024 12 years).

The mortality assumptions for the current year end follow the table known as S3PA with medium cohort mortality improvements subject to a 1.25% minimum to the annual improvements.

	2025	2024	2022	2021	2020
	£'000	£'000			
Plan assets	21,379	20,933	22,024	21,830	33,428
Plan liabilities	(19,680)	(20,823)	(23,875)	(23,576)	(35,041)
Surplus / (Deficit) in the plan	1,699	110	(1,851)	(1,746)	(1,613)
Experience adjustments on liabilities	117	274	1,051	(1,910)	51
As a % of plan liabilities	(0.59)%	(1.32)%	(4.4)%	(8.1)%	0.15%
Experience (losses)/ gains	(57)	(1,384)	222	(11,711)	2,494
% of Plan assets	(0.27)%	(6.61)%	1.01%	(53.65)%	7.46%

Sensitivity of assumption

	2025		2024	
	Assumption Change	Change in Obligation	Assumption Change	Change in Obligation
		£'000		£'000
Discount rate	2.80%	554	-0.25%	622
RPI	0.10%	25	0.25%	26
CPI	1.60%	324	0.25%	371
Longevity of members	+1 year	601	+1 year	630

21. Reserves

General funds

The General Fund of £1,670k (2024: £1,535k) includes £1,500k (2024: £1,500k) earmarked for the specific purpose of FRC costs and £400k (2024: £400k) for other non-PIE disciplinary costs. A security of £633k has been granted over the ICAS investment portfolio in favour of the Defined Benefit Retirement Benefit Plan. The General Fund represents profits or losses for the year, adjusted for transfers to/(from) other reserves. The pension asset fund of £1,699k (2024 an asset of: £110k) represents the defined benefit surplus at the year end.

Other reserves

The Property revaluation reserve is used to process revaluation adjustments to land and buildings.

The Investment revaluation reserve is used to process revaluation adjustments to investments.

The ICAS Foundation has one restricted fund, for bursaries to students who are in financial hardship but wish to study accountancy. As well as a designated fund for Additional Support to those on the programme.

22. Financial risk management

Financial risk management issues are covered by the ICAS risk management process and Council members are regularly updated on any significant issues relating to financial risk management. The Treasury Policy has been established which sets out the financial objectives of the Group. The Executive Team monitors and manages the financial risks relating to the operations of the Group through internal management reports.

The financial risks to which ICAS is exposed are summarised below:

Liquidity risk management

The capital structure of the Group consists of cash and cash equivalents, as disclosed in Note 16. The Group has no debt. The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern.

Ultimate responsibility for liquidity risk management rests with Council. The Group monitors liquidity risk by maintaining both short and long-term cash flow forecasts. ICAS' business model, with subscriptions and fees falling due on 1 January and education training contracts and conference revenue being due in advance of events, means working capital requirements should be funded in advance. This results in high levels of cash on deposit especially at the start of the financial year.

Interest rate risk

As a result of holding cash on deposit with financial institutions, ICAS does have exposure to interest rate fluctuations. Interest rates are reviewed regularly as part of the Treasury Policy. Interest revenue is budgeted prudently and is not significant to the ICAS budget.

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Impact of 0.5% interest rate increase on Group bank balances	54	48	48	43

Currency risk

The majority of ICAS transactions are carried out in Sterling and ICAS does not have bank accounts in other currencies. ICAS has a small number of trade commitments in other currencies, and thus has some exposure to currency movements, but the risk is minimal.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables and cash at bank. The Group holds £10,731k (2024: £9,520k) in cash at bank and fixed term deposits. The Group holds £2,332k (2024: £3,116k) as trade debt and other receivables.

The financial risk on liquid funds is mitigated by the spreading of deposits over a range of major clearing banks. Cash is held across a range of counterparties who are reputable banks with high-quality external credit rating and held across a minimum of four banks in order to avoid excessive concentration of cash with any specific counterparty.

Trade credit is mainly attributable to advertising and sponsorship and education revenue. Risk is managed by assessment of all significant new customers prior to agreement to trade and regular review of overdue debt by operational management. Trade receivables consist of a large number of customers principally based in the UK. Credit risk is considered to be low overall due to the financial standing and reputation of the organisations concerned, combined with historical trading experience. Before accepting any significant new customer, ICAS uses an external credit scoring system to assess the potential customer's credit rating and defines credit limits by customer.

Due to the nature of the business, ICAS' largest customers are the big accountancy firms. Revenues from the 4 largest customers are shown in the table below. The values relate to activities in the education and member engagement segments. The pattern that ICAS invoices firms has changed with the introduction of the Apprenticeship scheme. ICAS does not perceive these customers as a credit risk.

ICAS and Group	2025		2024	
	£'000	% of Revenue	£'000	% of Revenue
EY	2,537	11%	2,915	14%
PWC	1,021	4%	1,022	5%
Deloitte	878	4%	797	4%
RSM	590	3%	-	-
KPMG	-	-	520	2%

Investment risk

Longer term funds are held in equities, investment trusts and corporate bonds for investment purposes through independent custodians. The Group is exposed to investment risk arising from the changes in market value of these investments. The portfolio of investments has been diversified in order to minimise fluctuations in value. These investments present the Group the opportunity for return through dividend income and trading gains. Investments designated as non-current assets are held for strategic rather than trading purposes.

Investment risk sensitivity analysis	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Impact of 5% price movement on Group investments	253	184	241	171

23. Obligations under leases

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case an estimate of ICAS' incremental borrowing rate on commencement of the lease is used. ICAS has 1 fixed payment lease and no variable payment leases.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee.
- The exercise price of any purchase option granted in favour of the group if it is reasonably certain to assess that option.
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease.
- Initial direct costs incurred.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Nature of leasing activities (in the capacity as lessee)

ICAS leases one property in Glasgow. Rentals comprise of fixed rental payments with periodic reviews of the rental cost. There is no provision for rentals to increase each year.

ICAS also leases certain items of IT equipment, comprised of fixed payments over the lease terms.

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable.

	2025		2024	
	Lease Contracts Number	Fixed Payments %	Lease Contracts Number	Fixed Payments %
Property leases with periodic uplifts to market rentals	1	100%	1	100%
	1	100%	1	100%

ICAS may negotiate break clauses in any future property leases. On a case-by-case basis, ICAS will consider whether the absence of a break clause would expose ICAS to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- The length of the lease term.
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new area of operations for the group.

The property lease has a residual value guarantee of £101k which was treated as a provision prior to the adoption of IFRS 16.

Right of use assets	Land & Buildings	Group & ICAS Total
	£'000	£'000
As at 1 January 2024	301	301
Amortisation	(114)	(114)
As at 31 December 2024	187	187
As at 1 January 2025	187	187
Amortisation	(114)	(114)
As at 31 December 2025	73	73

Land & Buildings represents rentals payable by ICAS for its Glasgow property. IT Equipment leases represented rental paid for printers and servers, which expired this year.

Lease Liabilities	Land & Buildings £'000	Group & ICAS Total £'000
As at 1 January 2024		
Additions	364	364
Interest Charge	9	9
Lease Payments	(111)	(111)
As at 31 December 2024	263	263
As at 1 January 2025	263	263
Interest Charge	9	9
Lease Payments	(110)	(110)
As at 31 December 2025	162	162
Maturity profile of lease liability is:		
As at 31 December 2025		
Not later than one year	162	162
Later than 1 year and not later than 2 years	-	-
Not later than 5 years	-	-
	162	162
Maturity profile of lease liability is:		
As at 31 December 2024		
Not later than one year	102	102
Later than 1 year and not later than 2 years	161	161
Not later than 5 years	-	-
	263	263

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Cash Flow

Cash repayments from financing activities in 2025 amounted to £102k of lease principal (2024: £102k) and £9k of lease interest (2024: £9k).

24. Capital commitments

The Group and ICAS has capital commitments of £nil (2024: £nil).

25. Contingent liabilities

ICAS, together with The Institute of Chartered Accountants in England and Wales (ICAEW) and The Institute of Chartered Accountants Ireland (CAI), has a commitment to the Chartered Accountants

Compensation Scheme Limited (CACSL) in respect of its agreed 6.61% share of claims for compensation and administration costs of amounts up to, but not exceeding, £10m in any one year. ICAS and the other participants in CACSL have entered into an agreement with the bankers of CACSL to guarantee a facility, which would enable CACSL to meet its obligations in respect of the first £2.5m. Payments for individual claims are limited to a maximum of £50k. The ICAS share of the costs of the Scheme and agreed claims is recovered from those who are authorised by ICAS under the Financial Services and Markets Act 2000.

ICAS is, from time to time, in receipt of or threatened with legal action from Members who are, or have recently been, the subject of investigation or disciplinary matters. Legal advice is routinely sought in connection with these cases and the prospect of success assessed on a case by case basis. ICAS did not receive intimation of any formal legal proceedings during 2025.

ICAS has entered into a case cost agreement with the Financial Reporting Council whereby ICAS indemnifies the FRC for any costs incurred in the course of an investigation or disciplinary action against an ICAS Member, or firm registered by ICAS to conduct audit work. Any such costs would be allocated from the General Fund.

ICAS granted a security to the value of £633k over ICAS investment assets during 2009 in favour of the Defined Benefit Retirement Benefit Plan. The grant of security remains part of the recovery plan agreed with the Trustees following the latest Triennial Valuation.

26. Related parties

Group

As ICAS pays the annual administration costs of the ICAS Cares (formerly known as Scottish Chartered Accountants' Benevolent Fund (SCABA)) it is deemed to be a related party. The administration

costs in 2025 are £2k (2024: £2k). Donations from members to ICAS Cares of £53k (2024: £49k) and the ICAS Foundation £81k (2024: £72k) are collected via the annual membership return and transferred periodically to SCABA and the ICAS Foundation. At the period end date ICAS held £16k (2024: £9k) payable to ICAS Cares, and £21k (2024: £13k) payable to the ICAS Foundation.

Members of Council, or their firms, are required to pay annual subscriptions, course fees and training fees, etc., which are charged on the same basis as all other Members of ICAS. Due to the nature of ICAS' activities, such transactions with individual members of Council, or their firm, have not been disclosed. In 2024 one member of Council received £3.7k for being an Academic Member of the TPE Assessment Board, no members of Council were involved in Assessment Boards in 2025. No other member of Council, except Public Interest Members, who as a group received £73k (2024: £63k) per annum, has received any payment in respect of service to Council other than by way of reimbursement of expenses incurred. All markers and lecturing services operate under the standard contractual arrangement and rate.

Members of Council or their firms, also make donations to ICAS Cares and ICAS Foundation as part of the annual renewal process, at ICAS Foundation fundraising events, and other events held by ICAS. During the year donations of £1k (2024: £8k) were made that could be attributed to Council members and their firms. Donations that cannot be attributed to a specific individual or firm are not included in this total.

During the year Bruce Cartwright CA (CEO) also sat on the boards of CCAB Ltd and Chartered Accountants Worldwide Limited. In the year ICAS paid £971k (2024: £817k) and £93k (2024: £64k) respectively in membership fees to these organisations. Robert Mudge sat on the board of the Chartered Accountants Compensation Scheme Limited of which ICAS paid £3k (2024: £3k) in membership fees.

27. Financial instruments

A number of assets included in the Group's financial statements require measurement or disclosure of fair value.

	2025		2024	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Financial Assets				
Financial assets at fair value through OCI	6,001	4,616	5,762	4,350
Financial assets measured at amortised cost	12,268	11,125	11,842	10,791
Financial Liabilities				
Financial liabilities measured at amortised cost	2,334	1,961	2,174	1,838

Financial assets measured at fair value through OCI comprise listed investments and artwork. Financial assets measured at amortised cost comprise cash and cash equivalents, fixed term deposits, amounts receivable for the sale of goods and services and other receivables. The fair value of financial assets at amortised cost is equivalent to the carrying value.

Financial liabilities measured at amortised cost comprise trade payables, bursaries payable, amounts held on behalf of members and accruals.

The fair value measurement of the Group's financial and non-financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted).
- Level 2: Observable direct or indirect inputs other than Level 1 inputs.
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures a number of items at fair value:

- Revalued land and buildings - Property, Plant and Equipment (Note 10).
- Equity investments (Note 13).
- Assets and liabilities classified as other (Note 14).

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

	Group	ICAS	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000	£'000	£'000
	Level 1	Level 1	Level 2	Level 2	Level 3	Level 3
As at 31 December 2025						
Assets measured at fair value through OCI	5,065	3,680	936	936	-	-
As at 31 December 2024						
Assets measured at fair value through OCI	4,826	3,414	936	936	-	-

There were no transfers between levels during the period. The level 1 assets encompass bonds/fixed interest products, equities, alternative/cash products, hedge funds/target absolute return products and property.

28. Post balance sheet events

There are no post balance sheet events to report.



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