



Balancing Progress



Annual report and financial statements 2024

Thank you

We would like to take this opportunity to thank all our volunteer members who supported the ICAS team throughout 2024.

We have almost 400 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:
Gavin MacKenzie CA;
Francesca van Dijk, Public
Interest Member (PIM);
Jim Robertson CA



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Front cover image: Adeola Paterson CA; Jonathan Mills CA

Who we are

24,292
members

3,983
students

477
members involved in
mentoring programme

62.1%
male
members

36.3%
female
members

Members in industry

11,217

Members in practice

5,984

Members on all our
Boards, Committees
and Panels

391

19.6%

memberships
over 40 years

49.1%

located in
Scotland

38.3%

in the rest
of the UK

12.6%

working
overseas

12

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

1.26m

impressions across all
social channels

40,489

social media
followers across all
channels

72,015

clicks on social
media posts

15,529

engagements across all
social channels



77

total number of
conferences and
events

32

total number of
webinars/online
events

7,836

delegates attending
events (including
webinars)



2,710
regulatory
licences



89
members' stories
featured in CA mag

Welcome from our CEO

ICAS CEO, Bruce Cartwright CA, celebrates a year of strategic delivery to support ICAS members and tackle the big issues to safeguard the profession for decades to come.

It's been over a year since we launched our ambitious strategy, 'ICAS 2030: Together we will...'. Built around five key pillars, the strategy sets out a bold future for ICAS and we have already delivered much of what we set out to do. The headline delivery to date is [our new CA syllabus](#), which is a game changer for ICAS and the profession. Delivered at pace, on time and to budget in March 2024, the new syllabus ensures our CA qualification keeps pace with advances

in technology, data and sustainability, empowering those who earn it to lead the economies of tomorrow.

We achieved a healthy intake of students in 2024, with 1,136 enrolments onto the new syllabus. Thanks to our new flexible delivery model, these students can study at a time, location and pace that meshes with their individual learning style and the demands of their role. We also increased flexibility for employers and developed a new three-year schedule of terms, so it's now even easier to fit the training of CAs into busy business schedules. Along with these improvements, we opened new pathways into the profession and increased the appeal of training CAs to a wider range of organisations.

It proved to be another year of change and opportunity. The geopolitical climate continued to be unpredictable, and we are all still navigating our way through a post-pandemic environment. 2024 was our 170th year, so as an organisation we're aware that change is an inevitable fact of life and business. We're also aware of the strength of our membership. It's a constant that's thrived throughout the decades of ICAS and which will thrive for decades to come, with our members leading sustainable businesses around the world.

Our global relevance was harnessed again in 2024 through our participation on accounting networks like the International Federation of Accountants (IFAC), The Global Accounting Alliance (GAA) and Chartered Accountants Worldwide (CAW). The opportunity to share knowledge and best practice, and to shape international accounting standards through these collaborations, strengthens our profession and deepens our connection to other chartered accountancy bodies.

Our members are the lifeblood of ICAS, and we continued striving to ensure that the value of

their membership resonates. We ran over 100 free conferences and events to keep our members connected and informed on the latest industry developments. We hosted another in-person [Practice Conference](#), and our [Sustainability Summit](#) brought together delegates to tackle the 'super-wicked' problem of sustainability. Our [award-winning CA Summit](#) also returned to the calendar, with a focus on topical issues including the impact of AI and technology on the profession.

Of course, technology and AI are high on everyone's agenda, and this includes ICAS. We created an AI and Tech working group that reports directly to ICAS Council. It will help us navigate the challenges, opportunities and the impact that these fast-paced and increasingly prevalent topics will have on our profession, businesses and society. Organisationally, we are on our own AI journey and ran several AI pilots across our business centres, the learnings from which we'll take into 2025 and beyond.

Our commitment to decarbonise ICAS' operations and achieve Net Zero by 2045 remained robust and was boosted by initiatives such as a new low-carbon procurement process and supply-chain-engagement activities. Sustainability is a key pillar of our strategy and throughout 2024 we supported our members on their sustainability journeys by providing practical updates on sustainability reporting. We also continued to invest in equality, diversity and inclusion and launched a [three-year EDI strategy](#) which focuses on supporting our members and students. We were awarded Bronze [accreditation](#) by Investors in Diversity for our internal processes and procedures.

We spoke out on the issues that mattered to our members and wider society. Whether that was through our responses to policy consultations, or through our media and public affairs activity,

our voice was heard on big issues like the economy, the UK and Scottish government Budgets, corporate governance and audit reform. Our external influence remained strong, and our stakeholders continued to view us as a highly trusted profession.

Financially, the Group remains in a robust position. We delivered a solid set of results for 2024, delivering a growth in membership subscriptions, fee increases and commercial income. A planned investment of £2.1m in our 2030 Strategy programme created a loss in 2024 and subsequent decrease in net assets.

We delivered an increase in turnover to £21.3m, driven primarily by membership growth. Our reported group loss amounted to £1.4m, compared to £1.5m in 2023. Costs movements year-on-year were due to the continuing focus on delivery of our strategic programme, with further investment in 2024 of £2.1m.

Our total balance sheet net assets decreased to £7.0m with cash and cash equivalent balances of £9.5m.

Total income	£21.3m
Operating profit before strategic investment	£0.7m
Group loss after tax	£1.4m
Net Assets Assets	£7.0m

All in all, 2024 was another year of massive change at ICAS as we delivered on our strategy and provided consistently high-quality membership and training. It truly was a team effort, and I would like to thank all my ICAS colleagues, Council members, Office Bearers and all members who helped drive ICAS forward in our 170th year.

Bruce Cartwright CA
ICAS CEO



Our President's view of 2024

ICAS President for 2024–25, Alison Cornwell CA, reviews her highlights of a year in which we built upon our legacy and prepared for the future of accountancy.

2024 marked the 170th anniversary of ICAS. Established in 1854, we are the world's oldest professional accountancy body. As my year as President draws to a close, I've been reflecting on ICAS' powerful legacy and looking ahead to our next chapter.

I'm particularly proud of the role we have played in shaping the accountancy profession and the strength of our membership. Our 24,000-plus Chartered Accountants (CAs), supporting communities and running businesses around the world, are known and respected for the rigour of our training and a shared commitment to ethical leadership.

One of the reasons we have survived and thrived for 170 years is our agility and ability to adapt to the times and remain relevant to the economies and communities we serve. The greatest example of that in 2024 was the launch of our new CA syllabus and its game-changing, flexible delivery model. It's one of the landmark events in our history and therefore one you'll see referenced throughout these pages.

Much of what has underpinned our CA qualification for generations, and helped build that ICAS legacy, remains – the technical excellence and our ethical commitment – but there's plenty that's new. For example, the

syllabus will equip the next generation of CAs to seize the opportunities presented by technological advances and the ever-pressing need for sustainable business practices.

One of my main goals during my presidential term was to help ICAS attract more people into the profession. Our syllabus and its flexible delivery model make it easier for all kinds of organisations, from professional accountancy firms to employers in industry, to train CAs in a way that suits their operational needs. That's partly why I embarked on my own journey to become an Authorised Training Office (ATO) and train a CA with my industry-sector employer. In my monthly column in our CA magazine, I detailed my journey through the process and would encourage any business to seize the opportunities presented by becoming an ATO.

We have also evolved and added flexibility to the ways in which our students learn. There's a new, interactive online platform, state-of-the-art digital courses and a reimagined approach to the classroom. It's all about accommodating individual learning styles, maximising support and embedding learning to improve assessment outcomes. This transformation in our student experience sets ICAS and the profession on a strong footing and will help us to attract the next generation of CAs.

That's an area where we continued to work hard throughout 2024, connecting the potential offered by the CA qualification with the potential in the talent pool. We attended over 60 careers fairs supported by our first foray into gamification. Our new, online interactive '[choose your path](#)' game helps inspire school pupils and graduates by matching their personal strengths and ambitions with a range of exciting CA career paths.

When I became President, I made it my mission to meet as many ICAS members as possible. It's a mission I accomplished in no small part thanks to the packed calendar of events ICAS held throughout the year. Many of these events also focused on the next chapter for ICAS. This was particularly true of the Shaping the Profession event I spoke at in London. Established at the end of 2023, our [Shaping the Profession programme](#)

has been examining, considering and mapping out a future for accountancy against the current social, political and technological backdrop. It's a prescient conversation that includes voices from wider society, because only by listening to outside voices will we be able to continue delivering vital expertise, leadership and value.

I was also delighted to be a panellist at our second [Sustainability Summit](#). The event, which we held in conjunction with Accountants for Sustainability (A4S), brought together leading sustainability practitioners to discuss and debate many of the key issues in this field. We examined how businesses must transform and prepare for sustainability reporting, the need for mandatory but proportionate reporting, how to unlock value-creation opportunities, and the essential role that CAs will play in helping businesses globally to navigate their climate journeys.

Overall, 2024 was a year in which we could have rested on the legacy built over the past 170 years. Instead, we chose to look to the future and worked hard to build upon that legacy for the generations of CAs to come.

It has been an honour and a privilege to serve as ICAS President and I wish all my fellow CAs, our Office Bearers, Council members and ICAS colleagues all the best for the future.

Alison Cornwell CA
ICAS President 2024/25



2024 highlights at a glance

2024 was a year that saw our 2030 Strategy roadmap bear fruit. At the same time, our business-as-usual activity continued to deliver high-quality support and services to our members, firms and students.

Launched our new, future-focused CA syllabus



Transformed our students' learning and assessment experience



Hosted **306** newly qualified CAs and **870** of their family and friends at our Admission Ceremony



Celebrated our **170th** anniversary



Introduced a new delivery platform for how people read our CA mag which increased readership by **41%**

Undertook nearly **200** regulatory monitoring visits covering AML, audit, and insolvency



Spoke out on key issues including taxation, the Autumn Budget and the Scottish Budget



Responded to over **24,000** member and student enquiries



Awarded Bronze accreditation from Investors in Diversity

Increased our overall media coverage by **27%** year on year

Attended over **60** careers fairs

Introduced a new, employer-first, flexible approach to training CAs



Delivered **109** free events to over **7,800** members



400+ students attended our first-ever national induction day in Edinburgh

Hosted our Sustainability Summit, the CA Summit and bespoke conferences on practice and insolvency

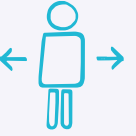


Almost a quarter of our media coverage was with Tier 1 publications



Responded to **44** policy consultations

Supported the ICAS Foundation in delivering **28** bursaries to students from lower socio-economic backgrounds



2030 strategy



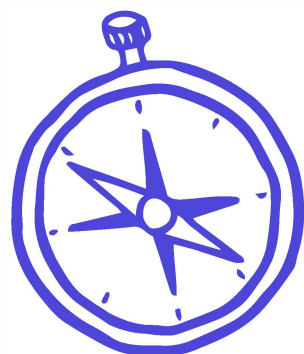
In 2023, we launched a new strategy which set out an ambitious vision to create a bold future for ICAS. The strategy redefined who we are and what we stand for, allowing us to navigate challenges and embrace opportunities.

We will continue to adapt and embrace positive change, with a renewed focus on always delivering value for our membership and wider society. Our strategy, 'ICAS 2030: Together we will...' is our roadmap for delivering this exciting and ambitious future for ICAS and for our members and students.

Our strategy helps us to respond in extraordinary times, and to meet the evolving needs of our members, firms and students. Together, we

will deliver greater value, empower each other and be a force for good. Through this strategy, we're leading by example to create a better tomorrow. 'ICAS 2030: Together we will...' enables us to prosper as a professional body, regulator, educator, awarding body and employer. Essentially, it will make us fit for the future.

The strategy identifies five pillars to deliver our vision, bring our brand themes to life, and fulfil the purpose of ICAS.



"Our strategy helps us to respond in extraordinary times, and to meet the evolving needs of our members, firms and students."



Gordon Burns CA

ICAS advantage

By delivering a new, enhanced CA syllabus we'll address the war for talent. With electives and alternative pathways, it will keep pace with advances in tech, data and sustainability. By embracing digital technology we'll deliver flexible, career-long learning opportunities for our students and members. 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.

Sustainability at our core

We'll lead on key sustainability issues within the profession and embed sustainability across our syllabus and training courses, including new electives and new 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 in the profession 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.

Leading-edge customer experience

Whether they're in practice or industry, 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 for our members to help them thrive. By listening to our members and students we'll deliver the products and services they want and need. We'll support our membership from studying through to retirement, providing a career-lifespan of connections, support, value and assistance. And we'll revolutionise the student experience, creating a single touchpoint with ICAS.

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 through better use of technology, 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.

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.

Successful delivery of the 2030 Strategy requires significant investment by ICAS. To ensure effective delivery of the strategic projects and spend, we established a Strategic Governance Group (SGG) in 2022. This group is chaired by the ICAS Vice-President and has representation from members of ICAS Council as well as a Public Interest Member (PIM). Throughout 2024, it provided governance over the multiple project delivery streams.

The group met regularly with the ICAS Executive to review progress, to provide challenge and to ensure that effective and robust measures remain in place to monitor delivery and budget. We've also set robust KPIs to monitor the delivery and impact of the strategy and built a five-year business plan to allow us to deliver on our ambitious goals, all of which are monitored and scrutinised by ICAS Council and Oversight Board.

[You can read more about our strategy and vision, purpose, and values here.](#)



Sustainability Summit 2024

Our vision, purpose and values

Throughout our 170-year history, the relevance of our Royal Charter has endured to shape our purpose in a modern context. We exist to serve our stakeholders in the public interest.

Looking forward, our vision re-enforces our commitment to serve the future of the profession, and our purpose articulates how we'll deliver value through our activities – to all stakeholder groups.

Our values provide a solid core to our approach, underpinning our purpose and defining how we seek to behave in everything we do.

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 been since 1854. As ethical leaders, the business community looks to us and our members to uphold standards. To 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.

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 ensure we are continuing to support those SDGs that are most relevant to us and against which we can make a material impact.



Goal 3
Good Health and Well-being
Ensure healthy lives and promote wellbeing for all at all ages.



Goal 4
Quality Education
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Goal 5
Gender Equality
Achieve gender equality and empower all women and girls.



Goal 8
Decent Work and Economic Growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Goal 10
Reduced Inequalities
Reduce inequality within and among countries.



Goal 12
Responsible Consumption and Production
Ensure sustainable consumption and production patterns.



Goal 13
Climate Action
Take urgent action to combat climate change and its impacts.



Goal 16
Peace, Justice and Strong Institutions
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



Goal 17
Partnerships
Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

Transforming our ways of working and supporting our people

Throughout 2024 we continued to support the mental, physical and financial wellbeing of colleagues and further strengthened our workplace culture. We also celebrated achieving Bronze Investors in Diversity accreditation and noted a continued reduction in our gender pay gap.

A key focus during 2024 was ensuring that ICAS remains a great and rewarding place to work. We enhanced our benefits package to include greater choices for colleagues to flex their benefits to meet their individual needs. We also renewed our commitment to offering flexible working arrangements that promote a positive work/life balance. Our hybrid working pattern gives colleagues a degree of flexibility on work location and the ability to flex their working day across an extended period.

A focus on wellbeing

We developed and launched a Wellbeing Plan for colleagues. The plan was designed to provide support across all areas of wellbeing: physical, mental and financial.

We actively encouraged healthy habits with the provision of a free selection of healthier snacks and initiatives such as a month-long, charity step challenge. We enhanced the support we provide to colleagues through our policies and extended our wide range of healthcare benefits to include access to screening as well as treatment.

A specific set of questions in our annual engagement survey helped us to further understand our colleagues' mental wellbeing challenges. Shaped by this feedback we aimed to empower and educate through regular intranet articles that raised awareness and encouraged healthy conversations.

Understanding that financial wellbeing is about more than base pay, we signposted to support and helped educate colleagues in ways to develop their financial resilience through good habits such as saving for emergencies and investing for the future. Our benefits package also continued to give access to a range of financial support features. Our commitment to wellbeing will continue into 2025 with the further delivery and evolution of our Wellbeing Plan.

Strengthening our culture

Workplace social interaction helps to build strong and productive teams, improve communication and collaboration, and foster a sense of community. Throughout 2024, we strengthened our commitment to giving colleagues a voice, helping them build meaningful relationships at work and offering opportunities to come together and make a difference in our local communities.



Adeola Paterson CA; Jessica Orr CA

We developed a Colleague Voice Strategy that included the launch of a portal for confidential feedback and suggestions. Our refreshed Colleague Forum worked with our Executive team to improve colleague experience and represent the views of people across ICAS. Our Social Committee provided a full calendar of events for colleagues to socialise, and various fundraising initiatives took place, from Wear it Pink for Breast Cancer Now, to the Seven Hills Challenge in aid of Cancer Research UK.

Colleague engagement

Our annual colleague engagement survey once again provided us with rich insight, and we were pleased to see a continued improvement in overall engagement. It was particularly encouraging to note that people felt positively about their work/life balance and had good relationships with managers and fellow colleagues. Inclusion was another area of strength, with colleagues believing that respect and value is shown to people of all cultures and backgrounds. Our efforts to improve the colleague experience will continue into 2025 and our action plan has been amended to reflect the results of the 2024 survey. We will survey our colleagues again in 2025 to measure progress, and we'll implement a new HR information system that will help streamline our people processes and enhance the user experience of colleagues and recruitment candidates.

Equal pay and the gender pay gap

All ICAS roles are evaluated by a third-party specialist partner to ensure objectivity and accurate sizing. In 2024 we undertook our usual annual salary benchmarking to ensure we are offering competitive salaries and pay parity, regardless of gender. Although exempt from the requirement to publish our gender pay gap, we do so voluntarily. We've been pleased to see a steady year-on-year improvement in our pay gap since the requirement was introduced in 2017. Our 2023 mean pay gap was 9.5%, a reduction of 24.7% since 2017. Our full report can be found [here](#).

Diversity and inclusion

Significant effort is made to ensure that all policies, processes and practices at ICAS support our commitment to diversity and inclusion. In 2024, we embarked on a journey with the National Centre for Diversity to achieve accreditation as Investors in Diversity. There are three levels of accreditation (Gold, Silver and Bronze), and we were delighted to receive our Bronze award in 2024. To achieve this, the National Centre for Diversity audited our policies, website, and social-media activity. We had hoped to progress further during 2024, however, competing priorities with strategic deliverables meant the journey to Silver and Gold will continue into 2025. This will be aided by an action plan based on best practice which the National Centre for Diversity provided as part of their accreditation process.

The ICAS Advantage



In 2024 we launched our new, future-fit syllabus and its flexible delivery model. The changes will empower CAs to lead the sustainable economies of tomorrow and open the CA qualification to a wider range of organisations and individuals.

After two years of development, in March we successfully launched [our new CA syllabus](#). The syllabus is designed to keep pace with advances in technology, data and sustainability, while upholding the highest standards of technical expertise, ethical integrity and professional excellence. It will ensure that those studying for the CA qualification acquire the knowledge and skills demanded by a rapidly evolving profession and equip them to lead the sustainable economies of tomorrow.

More impactful learning

Our new syllabus delivers more impactful learning through a complementary balance of online and in-person. A digital-first approach to course content employs a variety of formats, such as video and interactive flash cards, to maximise student engagement. These courses are supported by in-centre, tutor-led workshops. The workshops follow a 'flipped classroom' approach that transforms the traditional, passive classroom into an active learning environment. Students must cover specific course content in advance. This means the valuable tutor time can be used to deepen understanding through discussions, practice scenarios and case studies and ensures that students are fully prepared for their assessments.

Improved student outcomes

This approach has already resulted in improved student outcomes. Pass rates achieved in 2024 for Knowledge, the first level of the new syllabus, were up 14% in comparison to those at the first

level of the previous syllabus in 2023. Pass rates at the second level, Skills, were up 6%. All this has been achieved while maintaining the high levels of challenge and merit for which our CA qualification has long been known.

Unrivalled flexibility

We also launched a new delivery model for the syllabus as part of our efforts to improve the employer and student experiences and to widen the CA qualification's appeal to a wider range of organisations and individuals.

The new model offers unrivalled flexibility that helps to balance study and work commitments. Now more than ever, CA training aligns to the employer's specific business needs and to the student's individual learning requirements. Our new rolling three-year schedule gives employers a long-term view of their students' learning journeys and the certainty to plan. New elective courses at the Skills level provide options for detailed, role-relevant learning in new and important areas (such as, innovation, data analytics and sustainability) that reflect the variety of roles our students undertake within the profession. With courses scheduled across four terms per year, employers can more easily choose when their students have periods of learning and when they have periods in the office or with clients. Employers now also have more control over how quickly their students progress through the qualification, with options to follow accelerated, paced or subject-specific routes.



Paul Kingham CA; Rebecca Hulton CA

Widening access to the profession

With our new syllabus we've also opened more pathways into the qualification. These pathways encourage diversity and drive social mobility in all target groups, from school leavers to professional entrants, supporting those who may not have thought a CA career was an option for them. Through our 'Opportunity Kicks' marketing campaign, employing [new techniques such as gamification](#), and by engaging with schools, colleges and universities, in 2024 we worked hard to demonstrate the endless opportunities that the CA qualification can bring.

Our first national student induction

In September we held our first national in-person induction day at the Edinburgh International Conference Centre. Students from across the UK joined us at the event which provided inspiration, engagement and information. They heard from motivational speakers and joined workshops to begin developing key skills in areas such as communication and study techniques. The event was also a chance for our new students to

begin building their peer-to-peer networks and those all-important personal and professional connections. Due to its success, this induction will become a mainstay of our student experience and a permanent fixture in our annual calendar of events.

Continued evolution in 2025

Our syllabus will continue to evolve and develop, ensuring it remains relevant and at the forefront of the profession. In 2025 these developments will include incorporating changes to IFRS 18 and the latest sustainability standards. While the engaging digital content and new delivery model have resulted in improved student outcomes, in 2025 we will work with employers to ensure the timing of their students' workshops are better aligned to specific business needs. We will also focus on making better use of data to provide robust management information. By better measuring students' levels of progress and understanding we will be better equipped to predict outcomes, provide timely support and keep students on path to the CA qualification.

Customer-centric organisation



In 2024 we improved experiences for our students, focused on support for CAs working internationally, and consistently achieved customer satisfaction rates of over 90%.

Advancing our customer experiences

A key focus of activity through 2024 was undoubtedly the launch of our [new CA syllabus](#). As noted, it wasn't just the syllabus that was refreshed; we also reviewed and updated all the related customer touchpoints that are key to syllabus delivery. When undertaking this activity, customer experience was central in our considerations. This led to the automation of various back and front-end processes, including student registration and onboarding, to ensure a fast and fuss-free journey. We also fully rolled out our Advantage learning platform and were delighted when it was shortlisted in the Best Learning or Education Initiative category at the 2024 Memcom Excellence Awards.

Our review and update of customer experiences went beyond those related to syllabus delivery and included significant improvements to the process of applying for a Practising Certificate (required when an ICAS member engages in practice activities). We also completed extensive work on cyber security and achieved Cyber Essentials accreditation in testament to our efforts to ensure that our members' data is always secure.

Whilst improving year on year, we are aware that our email engagement rates need to improve to ensure that we are reaching members with relevant value-add communications. In 2025 we will begin working with a new marketing and communications platform that will allow for greater segmentation, enhanced dynamic content and the ability to create a member engagement score. We will also launch a new website built around an enhanced search function and an optimised user experience.

A year of logistical challenges

We enrolled students on to 21,200 courses in 2024 and delivered 33,148 assessments. The year was logistically challenging, as we were running assessments for students still completing our previous syllabus alongside those for students enrolled onto our new syllabus. We also faced challenges in updating our customer journeys and the supporting communications and resources necessary to deliver those assessments. Despite the challenges, students were positive about the seamless assessment experience, and that we were able to deliver their results within two weeks of each assessment.



Tracey Rob Perera, CA

A return to in-centre assessments

Many of those assessments were held as part of our pilot of a new assessment platform. The pilot was driven by feedback from our students and considered areas such as platform reliability and ease of use. Some students had previously expressed anxiety about being asked to sit their assessments online, either at home or in their office. The pilot therefore included the option of sitting assessments in an assessment centre. It quickly became clear that this was the preferred choice for our students, with an average of 80% opting for in-centre. To ensure a level playing field, we provided standardised IT equipment to all students sitting their assessments in-centre.

High levels of customer satisfaction

We received over 24,000 contacts from our members and students during 2024 and reduced the average turnaround to under 24 hours. We also consistently achieved customer satisfaction rates of over 90%. This rate was confirmed during our annual survey, where members' experiences when contacting ICAS were ranked with the highest satisfaction across all parameters

surveyed. In addition, our Help Centre, where we continue to develop our self-serve knowledgebase, recorded over 80,000 views.

International CA communities

2024 saw a focus on growing engagement in our key member territories, including transition support for members moving overseas. We also expanded the work we do with other professional bodies – collaborating to connect communities and opening networking opportunities with other global member institutes and with Chartered Accountants Worldwide.

We hosted 31 events in these key member territories, including in New York, Geneva, Zurich, Sydney, Calgary, Dubai, Brisbane, Hong Kong, Guernsey, Jersey, Melbourne, the Cayman Islands, Toronto, Vancouver and San Francisco. We grew our local Ambassadors programme, appointing eight new Ambassadors to lead the local member communities in Abu Dhabi, Toronto, Calgary, the Cayman Islands and Melbourne. We also undertook new community engagement in Brisbane, Perth, New York, Singapore and Vancouver.

In April we held “Around the world with ICAS”, our first webinar focused on CAs working overseas. A panel of five ICAS members shared their career stories, practical guidance, the benefits of working overseas and how their CA qualification and the ICAS network had provided and supported their international opportunities.

Over 250 emails were sent to ICAS members moving to a new country through our new, automated process. The emails, which are triggered when a member updates their country of residence on their profile, introduce them to the local Ambassador and other members in the area.

Celebrating newly qualified CAs

The annual ICAS Admission Ceremony, which celebrates new members’ admission to professional membership, took place in Edinburgh in April. The 2024 ceremony was attended by 306 newly qualified CAs, and 870 of their guests. The keynote speaker at the ceremony was Eryn Paterson CA. In September, Eryn went on to represent ICAS at the One Young World youth leadership summit in Montreal. Another young CA representing ICAS on the global stage in 2024 was Lisa Blum CA who joined Chartered Accountants Worldwide’s Global Young Leaders Think Tank.

Our UK Area Networks

Our five UK Area Networks hosted a range of regional events based on local member needs. The events, which are created to engage, inspire and provide networking opportunities, enjoyed an uplift in member attendance from 2023. We also undertook activity to establish a balanced Area Network committee composition from across major CA employers and continued growing a pipeline of new and diverse members onto the committees (including ICAS Foundation alumni members and CA students). The Networks’ committee members also actively engaged with early career ICAS members in their local areas, with a focus on building connections with those qualified in the last year. The Networks’ support for the ICAS Foundation continued across 2024, with a range of events that raised awareness and funds and created speaker opportunities for Foundation representatives.

Mentoring programme

A year-long campaign to promote the professional and personal benefits of mentoring led to steady growth in sign-ups to the ICAS Mentoring programme. We recorded a 16% increase in registered mentees and a 69% increase in registered mentors.



Panashe Samushonga, ICAS Student

Sustainability at our Core



Through 2024 we continued to lead by example, using our influence to shape the sustainability landscape, supporting and inspiring our members, and ensuring that future CAs are equipped to lead the sustainable economies of tomorrow.

We increased our sustainability headcount resource by 60%, to bolster our efforts in this area and to support our strategic pillar, “sustainability at our core”.

Among the top key developments in the sustainability landscape in 2024, we welcomed IAASB publishing its [International Standard on Sustainability Assurance \(ISSA\) 5000](#), and the Transition Finance Market Review (TFMR) publishing its report [Scaling Transition Finance: Findings of the Transition Finance Market Review](#). ICAS was among the stakeholders who contributed to the consultations that shaped these reports. We also welcomed the [EU Council's approval of its Corporate Sustainability Due Diligence Directive](#).

Our members' top priorities

To ascertain our sustainability priorities for the next few years, we engaged with various key stakeholder groups, including our members and our Sustainability Committee. The top priorities identified were integration of financial/non-financial reporting, natural capital,

decarbonisation, and technology (including AI), in addition to our ongoing commitment to the fast-evolving sustainability reporting and assurance landscapes. We incorporated these priorities into our action plans to help us better serve our members.

Our Sustainability Strategy

Much of our activity in 2024 was directed by the four pillars in our Sustainability Strategy, which we'd set out in 2023:

Advocacy and influence: As set out in our [Sustainability Policy Positions](#), we continued to be vocal in our support for double materiality, mandatory sustainability reporting for certain enterprises, establishing an international standard for sustainability assurance and the urgent need for decarbonisation and reporting of gross emissions. We held our second ICAS Sustainability Summit in Edinburgh in April. The Summit brought together experts from industry, science and standard setters, to explore ways to accelerate the changes needed to save our planet. Following the Sustainability Summit, we launched the [ICAS Sustainability Business Network](#) on



Sustainability Summit 2024

LinkedIn and hosted the network's inaugural event in October. We also hosted webinars on the topics of navigating the sustainability reporting landscape and delivering sustainability data that drives change. We responded to various consultations throughout the year, including the International Federation of Accountant's International Education Standards – Sustainability exposure draft and the Global Reporting Initiative Climate Change Standard exposure draft. We supported several key publications including Chartered Accountants Worldwide's [Carbon Footprint Guide](#), the Global Accounting Alliance's Progress and Pathway Report and their [Nature Guide](#). In May we published research into the different assessments of materiality within the sustainability and financial reporting arenas and in July we [co-hosted an exclusive workshop](#) with the Transition Finance Market Review Secretariat. We also developed and strengthened sustainability-focused partnerships with various groups including Chartered Accountants Worldwide, the Global Accounting Alliance (Sustainability Working Group and Net Zero Working Group), The Accounting Bodies Network of Accounting for Sustainability,

Accountancy Europe's Sustainability Policy Group and the UK Endorsement Board. For 2025 we have commissioned research on sustainability governance, a topic that underpins the integration and understanding of sustainability in an enterprise.

Learning and training: Sustainability is a big issue for the accountancy profession now and will present an increasing number of challenges and opportunities for the profession of the future. The topic is therefore a key theme of [our new CA syllabus](#), which we launched in March. It's embedded throughout the curriculum and is the subject of a separate elective course, Sustainability for Accountants. We always want to do more help make sure our members have the relevant skillsets to deal with the latest demands being placed upon them – and demands we foresee materialising in the future. With that in mind, we had hoped to make more progress in 2024 on a new suite of continuing professional development (CPD) offerings that would update our members' skills in key areas, including sustainability. This work will carry over and be a priority in 2025. 2025 will be a landmark year for sustainability

reporting in the UK, as it will become clearer which standards will be endorsed and how they should be adopted. We will track these developments and monitor progress in other markets that affect the UK and share insights and knowledge to ensure our members are well placed to tackle the new expectations of them.

Leading by example: We progressed in our journey towards Net Zero and continue to be committed to our target of achieving Net Zero by 2045, in line with the Scottish government's target and the commitment to reducing our emissions by 38% by 2030. Following our Net Zero pathway, in 2025 and beyond we will continue to decarbonise our operations and prioritise making real changes to lower our carbon footprint, such as increasing our use of biofuels to reduce our Scope 1 emissions and maintaining our zero Scope 2 emissions through the use of 100% renewable energy. Inevitably, offsets may ultimately be required for residual emissions. We will also keep chipping away at priority areas like the carbon footprint of our supply-chain partners, which could take some time to improve. Our Net Zero pathway includes:

- Engaging with our largest suppliers to support delivery of their Net Zero pathways and incorporating sustainability factors into new contracts.
- Reducing our office-space footprint.
- An active and sustainable travel policy.
- Digitalisation of materials.
- Updated heating controls and insulation.
- Lighting and awareness for electricity use.
- Energy awareness campaigns.
- Decarbonisation of the grid.

Our total carbon emissions for 2023 were 1,223 tCO₂e (tonnes of CO₂ equivalent), an increase of 294 tCO₂e or 31.6% since 2022. This was largely driven by an increased spend on purchased goods and services because of our 2030 Strategy projects.

This includes Scope 1 direct emissions that occur from sources that are controlled or owned by ICAS, Scope 2 indirect emissions from purchased

electricity, steam or heat, and Scope 3 indirect emissions resulting from our business operations and value chain.

In 2023, we updated the emissions factors used to convert sterling spend for purchased goods and services into carbon emissions (which forms part of our Scope 3 emissions). We previously used a UK government source that was based on data published in 2019, and changed to the US EPA which has since become the recognised leading database and is updated much more frequently. We have restated our 2022 emissions (and 2021 baseline) with the new factors as per the table below.

	2023	2022
Emissions Scope	Carbon (tCO ₂ e)	Carbon (tCO ₂ e) restated
Scope 1	131	103
Scope 2	-	-
Scope 3	1,092	826
Total	1,223	929

* Total restated emissions for our 2021 baseline year are 932t CO₂e of which restated Scope 3 emissions for 2021 are 849t CO₂e.

Of our 2023 emissions, 730 tCO₂e comes from purchased goods and services – mostly from our supply base – as nearly all purchased goods will incur carbon. We also incur carbon emissions from natural gas (131 tCO₂e), use and end of life of sold products (74 tCO₂e) and business travel (132 tCO₂e).

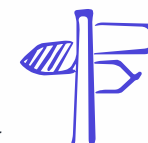
Social change: In 2024, we continued to champion equality, diversity and inclusion (EDI), embedding these values into every aspect of our operations. As ethical leaders, we reinforced our commitment to creating a fairer and more diverse accountancy profession, ensuring that inclusion remains central to our mission.

Our key activities and achievements for the year included:

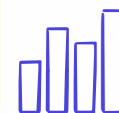
Celebrating heritage and diversity: We celebrated Black History Month, South Asian Heritage Month, and Pride Month with impactful events and campaigns, showcasing the contributions of these communities to the profession and raising awareness of their experiences.



Recognition for diversity efforts: We were awarded the Investors in Diversity Bronze award, a testament to our commitment to embedding EDI in the organisation. Our EDI Strategy was also shortlisted for the Memcom Excellence EDI award.



Membership growth and engagement: Our Black Members Network grew by an impressive 300% and hosted professional development and community building events. We established a Women's Network, to focus on creating a strong pipeline of women for boards, panels, and committees.



Support for aspiring talent: We supported the ICAS Foundation in delivering 28 bursaries to students from lower socio-economic backgrounds. Collaborating with The Rise Initiative, our school visits inspired young people from underrepresented backgrounds to consider careers in accountancy.



Research into progression pinch points: We commenced research into the barriers faced by minoritised students in progressing within the profession, aiming to deliver actionable insights to address their challenges and foster greater inclusion in the pipeline to leadership.



Driving sustainability and inclusion: We joined the Taskforce on Inequality and Social-Related Financial Disclosures as a maiden supporter, reinforcing our commitment to embed inclusion within sustainability frameworks. We also partnered with Chartered Accountants Worldwide on research exploring ways to support our members' wellbeing and resilience.



Championing diverse perspectives: We published five case studies through our Championing Unique Perspectives campaign, amplifying the voices of members from underrepresented backgrounds and providing insights into their career journeys and successes.



Promoting wellbeing: We prioritised member and student wellbeing by continuing to provide free support for students and practice members. The support included a confidential helpline and resources to help manage stress, improve resilience and foster a culture of care across the profession.



Trusted Regulation



CAs will only be recognised as trusted, world-class business professionals if ICAS continues to deliver effective regulatory functions. Our licensing, monitoring, enforcement and CPD teams work hard to protect the reputation of ICAS, our members and the wider profession, fulfilling our Royal Charter obligation to act in the public interest.

Regulation is at the heart of our 2030 Strategy, as demonstrated by an expanded team of experienced professionals and processes which have evolved to become more proportionate and risk-based, without sacrificing their effectiveness. While encouraged by the feedback we received from firms and oversight regulators, we have no intention of sitting still and will continue to work hard on further improvements, with particular focus on support and accessibility.

With our new team in place, in 2024 we were able to increase the scale of our work, with activities including:

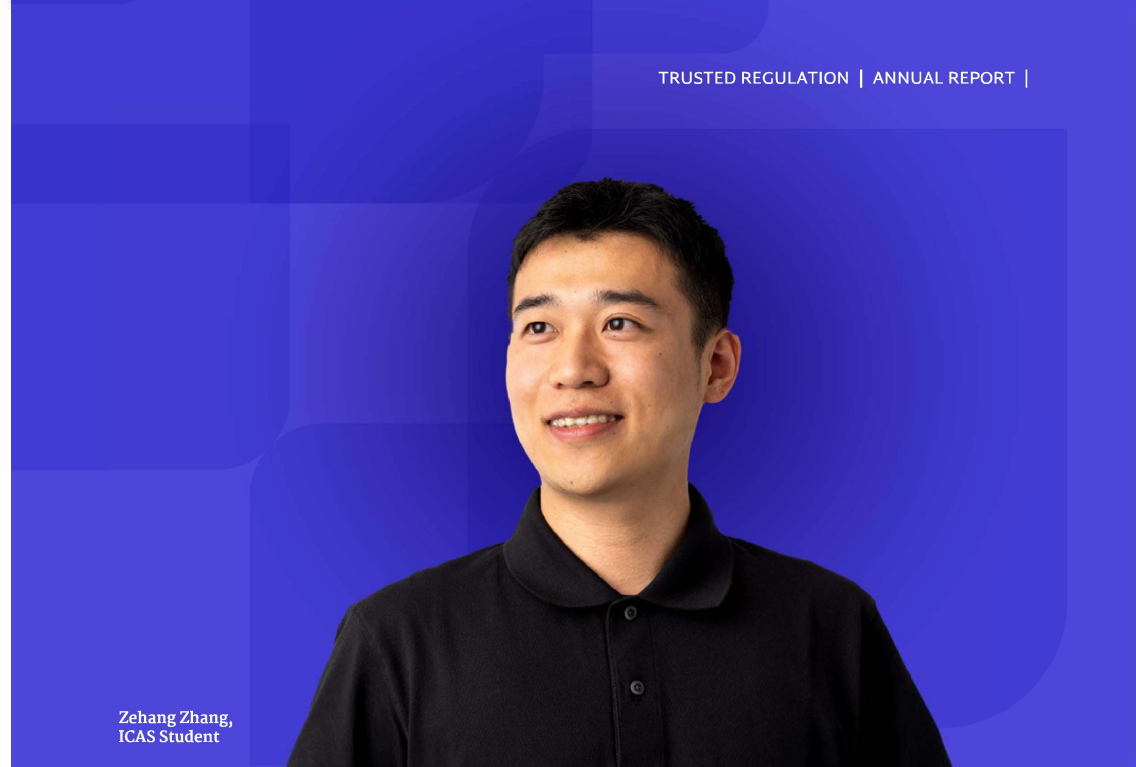
- Nearly 200 regulatory monitoring visits (covering AML, audit, and insolvency).
- Granting more than 200 new regulatory licences.
- Determining more than 75 complaints and reducing the length of our investigations.
- Concluding reviews into our insolvency function and the regulatory model we use for

continuing professional development (CPD). The latter is considering whether to introduce an hours-based CPD requirement and will conclude in 2025.

- Completing two thematic reviews into key aspects of AML compliance.

Building and training a new team meant that some regulatory matters were not dealt with as quickly as we would have liked in 2024. However, our efficiency will greatly improve in 2025. We also heard the call from firms for more assistance and guidance to help them navigate a constantly changing regulatory landscape.

In 2024, we worked 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. Given the timescales involved with some of these proposals, we are hoping for real progress in 2025.



Zehang Zhang,
ICAS Student

While encouraged by the feedback we received from firms and oversight regulators, we have no intention of sitting still and will continue to work hard on further improvements, with particular focus on support and accessibility.

We continued to work in accordance with the regulatory principles 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.

Plans for 2025

In 2025 we will reinstate Practice Monitoring visits to ensure standards in practice remain at the high levels expected by our members and stakeholders. We will also positively contribute to national debates on the future of regulation in areas including audit, tax, insolvency and AML.

Ethical Leadership



Ethics is at the heart of all that we do and all that we stand for. We always act in the public interest and uphold our moto quaere verum – seek the truth. In 2024 we continued to demonstrate ethical leadership through a range of initiatives and to champion ethical leadership through our policy, public affairs and communications activity.

Government relations and public affairs

In February we attended the Scottish Labour Party Conference in Glasgow, attended by shadow ministers (at the time) with key portfolios for ICAS. There we took part in sessions with the now Secretary of State for Business and Trade and met numerous MPs and MSPs. Later in the year we also attended the UK Labour Party Conference. We submitted written and oral evidence to a special 'non inquiry' evidence session held by the Business and Trade Select Committee on audit and corporate governance reform. The evidence we provided, alongside ICAEW, the FRC, investors, financial bodies and firms, was positively received. Prior to the UK general election, we hosted a cross-party political hustings for members at our CA House headquarters, where candidates from all the main Scottish parties faced excellent questions from our panel. We continued to meet regularly with officials from the UK Department of Business and Trade, HMRC and the UK Treasury to discuss audit and corporate governance reform, non-financial reporting – including the UK government's expected timetable on sustainability reporting requirements – tax strategy, insolvency, economic crime and Making Tax Digital.

Audit and corporate governance reform

The new UK government announced the inclusion of a Draft Audit and Corporate Governance Reform Bill in their King's Speech, and we sought to influence the final shape of this bill. This included discussions with senior civil servants responsible for the bill, and with MPs and committee specialists who are all working on the legislation. In November, our CEO, Bruce Cartwright CA, took part in a round table on the bill with other professional bodies, audit firms and the Secretary of State for Business and Trade, and the Minister for Business, both of whom will take the legislation through parliament. While we were pleased to be part of these discussions, we couldn't get a face-to-face, bilateral meeting with the Secretary of State or the Business Minister. This is something we aim to remedy in 2025.

Charities

We published our second ICAS-funded research report on impact reporting by charities. Examples of best practice in impact reporting were published alongside the research. We continued to engage with the Scottish charity regulator (OSCR), the Scottish government and the Scottish Parliament to provide evidence to support increasing the Scottish charity audit threshold.

We provided OSCR's board with written informal evidence in August which was subsequently shared with the Scottish Government's Charity Law Team. We also developed a survey of our members to provide evidence for the Scottish government that accountancy practices would take on the independent examination of charities that would fall outside of the audit regime if there was an increase in the exemption thresholds.

The public sector

In August we submitted written evidence to the Scottish Parliament's Public Finance and Administration Committee pre-budget scrutiny of managing Scotland's public finances and later gave in-person evidence. The Committee quoted our evidence in its report and picked up some of our key messages in its recommendations.

Revising our Code of Ethics

Our Code of Ethics is integral to cultivating trust and upholding high standards in the accountancy profession. It is substantively based on the International Ethics Standards Board for Accountants (IESBA) Code of Ethics. In 2024 we revised our Code to incorporate several revisions IESBA had made to its code. This included changes to respond to the impact of rapid technological advancements and accelerating digitalisation, and revisions to the fundamental principle of confidentiality. Our revised Code of Ethics took effect from 1 January 2025. Modern slavery is an illicit supply and demand commodity trade, where the commodity is a human being. In 2024 we published guidance for our members, 'Modern Slavery – what CAs need to know'.



which considers practical steps for finance professionals. We also surveyed our members on their views on ethical leadership.

Corporate and financial reporting

We highlighted to our members the changes made by the Financial Reporting Council (FRC) to Financial Reporting Standard (FRS) 102 and FRS 105 following the latest periodic review. The amendments will apply to accounting periods beginning on or after 1 January 2026.

Our Shaping the Profession programme

The development of our Shaping the Profession (StP) programme also accelerated in 2024, with the prioritisation of five key themes to make sure we deliver on our ambition to define the accountancy profession of tomorrow. We made good progress on several of these themes, particularly on exploring society's trust and perception of the accountancy profession and uncovering what societal needs must be fulfilled by the accountants of tomorrow. We engaged our members through targeted questions in one of our quarterly online surveys and through a series of 'CA Conversations' events in Glasgow, Edinburgh, London and online. And in October we officially launched the programme at an event in London, where we were joined by the FRC and Innovate UK, part of UK Research and Innovation.

Technology, including AI

We established an AI Working Group, which reports to ICAS Council, to consider how technology will impact on the future of the profession and how we can prepare for what comes next. We also considered potential partnerships with tech companies and discussed how we can provide input into the technology theme for our Shaping the Profession programme (see above). We conducted several AI pilots across our business centres, the findings from which will be considered by the ICAS Executive in early 2025.

Talking tax

In 2024, we took part in three round tables with the Exchequer Secretary to the Treasury (XST), to discuss how the tax system can support growth and consider the strategic direction of the UK's tax system and the business tax roadmap. We used those opportunities to highlight our priorities for action, including the need for improvements to HMRC service levels and systems, tax simplification and a long-term approach to taxation. We continued to raise poor service levels from HMRC, which remain a major concern for our members.

Centre for Public Interest Audit

The Centre for Public Interest Audit (CPIA) was incorporated in June to bring together auditors from across the profession to shape best practice and inform the future of public interest entity (PIE) audit in the UK. The CPIA's membership comprises the full spectrum of UK PIE auditors, as well as ICAS and funders, the Institute of Chartered Accountants in England and Wales (ICAEW). ICAS was actively involved in the work of the Shadow Board, progressing issues such as HR, data provision and storage and governance. Our CEO, Bruce Cartwright CA, represents ICAS on the Board.

Looking to 2025

Through 2025 we will continue to focus on the Audit and Corporate Governance Reform Bill and the expected UK government consultations on Green Taxonomy and the UK transition plans. We will also focus on sustainability assurance and non-financial reporting, the potential for AI regulation, pressing for long-termism in public finances, and trying to get a simplified, coherent and long-term governmental tax strategy. We will also lay the ground for Scottish Parliament elections, which take place in May 2026. We weren't always able to respond to all inquiries and consultations in the detail we would have liked to in 2024. However, in 2025 we will more effectively share work across our teams, prioritise responding earlier and be clearer about why we're responding and how doing so benefits our members.

Collaboration

In 2024 we continued our involvement in various global and regional accountancy bodies, such as Chartered Accountants Worldwide and Accountancy Europe, and our CEO, Bruce Cartwright CA, was appointed as Chair of the Global Accounting Alliance.

Global Accounting Alliance (GAA)

In December 2024, our CEO, Bruce Cartwright CA, was appointed as 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 the Consultative Committee of Accountancy Bodies (CCAB) remains an important part of our advocacy and influence strategy.

Highlights of GAA activity in 2024 include the report they commissioned on Corporate Natural Capital Accounting (CNCA). This was led by ERM and supported by the Biodiversity Footprint Company, IDEEA Group. It was effectively built on a previous working paper, 'Time to Take Stock', which set out proposals for what a standardised CNCA approach might look like in practice and identified gaps to be addressed. CNCA can improve nature-related data processing, making it more widely applied to business decisions (eg in risk analysis, strategy, investment planning and reporting).

The GAA also responded to a series of proposed revised international education standards and International Ethics Standards Board for Accountants (IESBA) proposed sustainability-related revisions to its International Code of Ethics for Professional 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 throughout 2024 and chaired their EDI Taskforce. We also participated in two of CAW's international surveys, one looking at the resilience of the chartered accountancy profession and another at the impact of AI and technology on the profession. Results from both surveys will be published in early 2025.

Accountancy Europe

Accountancy Europe continued to provide input to various aspects related to the implementation of the Corporate Sustainability Reporting Directive (CSRD). This is impacting UK companies, and more will be impacted when the full requirements become effective. Accountancy Europe also engaged with the International Auditing and Assurance Standards Board (IASSB) and International Ethics Standards Board for Accountants (IESBA) as they developed and finalised their respective sustainability-related assurance and ethics/independence standards.



ICAS Foundation

The ICAS Foundation is ICAS' social mobility charity. It is an independently registered charity and provides bursaries, grants, mentoring, internship opportunities and practical support.

The ICAS Foundation is dedicated to empowering young people on their journey from education to professional success, with a particular focus on careers in the accountancy profession. The Foundation accepts applications from students at any point before graduation, providing up to four years of tailored support designed to help them reach their full potential. This support prepares recipients for further professional training and meaningful employment in accountancy and related fields.

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 Trust Deed provides Trustees with the flexibility to explore and support initiatives that benefit both the accountancy profession and the wider public.

Their initiatives are funded through generous contributions 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.

A core element of the Foundation's work involves awarding bursaries of up to £10,000 to students from lower socio-economic backgrounds. These bursaries aim to remove financial barriers,



enabling students to excel in their university studies. 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.

How they make a difference

- £2.6m of bursary awards and other funding has supported 360 students.
- Of 201 graduates, 100 have started CA training contracts and 33 have already been admitted to ICAS membership.
- They have supported students at 18 UK universities, 12 in Scotland and 6 in England
- The young people on their programme have often experienced significant challenges in life, but when given a chance, their talent and determination show in their achievements.
- In summer 2024, 21 students on the Foundation's programme graduated from university, with 86% achieving first or upper second-class honours.
- 90% of that graduating cohort moved into relevant professional training, the majority on ICAS training contracts.
- In April 2024, 10 Foundation alumni were admitted to ICAS membership as qualified CAs, and several alumni are now mentors to the next generation of programme participants.
- 57% of our supported students identified as female.



- 43% identified as either being from an ethnic minority or from a background other than the UK.
- 100% of students were from low-income backgrounds.
- 82% of their students came from households with an annual income of less than £20,000.

Every student who receives a bursary also benefits from a one-to-one mentoring relationship, in most cases with a qualified Chartered Accountant. Occasionally, the Foundation also offer grants for one-off expenditure items to any student that meets their award criteria.

Marking a milestone year

2024 marked a significant milestone for the ICAS Foundation — its 10th anniversary. Over the past decade, the Foundation has made a tangible impact on social mobility, particularly within the accounting sector. Throughout 2024, the importance of creating inclusive pathways into the profession remained a central theme in discussions with partner organisations. These conversations emphasised the ongoing need for

action and reaffirmed the critical role the ICAS Foundation plays in driving change.

One of the key highlights of the year was the creation of new partnerships with organisations that share the Foundation's commitment to equitable access to education and opportunity within the accounting sector. These collaborations have unlocked new possibilities, extended the Foundation's reach and enhanced the tailored support provided to those who need it most. They have also highlighted the sector's vital role in advancing social mobility, demonstrating the power of collective action.

As the ICAS Foundation looks to the future, it does so with a sense of gratitude and renewed enthusiasm. None of its achievements would have been possible without the unwavering support of its community — partners, donors, and advocates. With their continued backing, the Foundation is poised to build on the successes of 2024 and drive meaningful change into the next decade and beyond.

ICAS Cares



In 2024, the Scottish Chartered Accountants' Benevolent Association was reborn as ICAS Cares. The charity is dedicated to supporting past and present ICAS members, their dependents and future CAs facing hard times.

On 1 August 2024 **ICAS Cares**, a Scottish charitable incorporated organisation, took over the assets and undertakings of the Scottish Chartered Accountants' Benevolent Association (SCABA). ICAS Cares will continue the excellent and dependable support that SCABA had provided to ICAS members since its inception after World War I.

Whilst beneficiaries in the 21st century are less likely to be widows and orphans, life-changing events can happen to anyone, and when least expected. The charity regularly assists past, present, and future ICAS members and dependents with emotional, practical, and financial support.

Financial assistance

Financial help depends on the need and is means tested. Multiple awards were made in 2024 from restricted funds for CA students facing housing, childcare, and educational needs, and to the ICAS Foundation to assist students aspiring to a career in finance. One-off awards from the general funds were aimed at resolving specific needs such as respite stays, specialised medical treatment, household adaption, unexpected property repair, and education and training support.

The number of annual income grants decreased in 2024 due to demises, offset by energy awards



for those negatively impacted by the change in eligibility for winter fuel allowance. In 2024 ICAS Cares/SCABA awarded £56,500 (£56,000 - 2023) grants in total.

Non-financial assistance

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 is sometimes all that is required (with follow up). Our outreach coordinator worked throughout 2024 with income grant beneficiaries to maximise their state-benefit entitlement and access other support services where there were health needs, whether short or long term.

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 ICAS members in need.

Having modernised governance in 2024, including the appointment of additional trustees, the Board will focus on raising awareness of ICAS Cares and its services to ensure that members know that we are here for them during challenging times.

ICAS Students



Governance

As a Chartered Body, the Institute of Chartered Accountants of Scotland (ICAS) governance arrangements are set out in its Royal Charter, Rules and General Regulations. ICAS is committed to following good practice in corporate governance and seeks to apply the principles of FRC's UK Corporate Governance Code where relevant and proportionate to a professional membership body.

Council, as governing body, has responsibility for ensuring that the objects set out in the Royal Charter are achieved. Council sets the strategic direction of ICAS and in September 2022 approved a new bold and ambitious strategy, the 2030 Strategy, underpinned by a five-year business plan. Implementation has progressed since launch in April 2023 and will continue in early 2025 before the Strategy projects transition to delivery as business as usual.

Council upholds the vision for ICAS to be recognised and respected as a world leader in the future of finance professionals and the advancement of the profession.

In the ICAS business model, the principal activities of ICAS during 2024 continued to be the training and examination of chartered accountancy students; the regulation of Members, Affiliates, CA Student Members and Firms; the provision of practice support and other services to Members; and contributing to the development of the profession and business environment in the public interest. This is in line with the objects set out in the Royal Charter.

Council is supported in its leadership of ICAS and delivery of the 2030 Strategy by the boards and committees to whom it has delegated authority. The Oversight Board, Audit & Risk Committee, Regulation Board and Qualifications Board are the bodies responsible for monitoring and overseeing the key activities of ICAS. The day-to-day management of ICAS is delegated to the Executive Team, led by the Chief Executive, Bruce Cartwright CA.

The ICAS General Regulations provide that Council shall be comprised of 12 Members elected to area seats, 6 Members elected to open seats, not more than 7 co-opted Members, not less than 3 Public Interest Members (PIMs), and the Office Bearers.

On conclusion of the AGM (26 April 2024), the composition of Council was three Office Bearers, 12 electoral area seats, five open seats, two co-opted seats and four Public Interest Members. The appointment of the Vice President at the AGM created a casual vacancy in an open seat and in May 2024 Council approved the appointment of another Member to fill that seat until AGM 2025. A fifth PIM was appointed by Council in May 2024, following the conclusion of a recruitment process.

PIMs are member of Council who are not accountants and who represent the public interest and provide oversight and scrutiny of the governance arrangements of ICAS. The PIMs publish an annual report, which is available on the ICAS website.

Council held four meetings during 2024, three based in Edinburgh and one in London. Members can attend meetings in person or online. The governance review initiated by Council under the transform the cost base pillar of the 2030 Strategy moved through its second phase in 2024, with approval of changes to the reporting lines of four advisory boards. The Ethics Board, Sustainability Committee, Practice Board and EDI Committee will now report to the Oversight Board. The third phase of the governance review will be conducted in 2025 and will include considering the roles and responsibilities of Council, Oversight Board and other committees, boards and panels within the ICAS governance structure.

There were no changes to the Rules or General Regulations during 2024 that required the approval of ICAS members in general meeting.

Statement of Council responsibilities

Council is responsible for preparing the Annual Report and Financial Statements in accordance with UK adopted international accounting standards. In preparing these financial statements, the members of Council are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that ICAS will continue in business.

Council is responsible for keeping accounting records that adequately show and explain ICAS transactions and disclose with reasonable accuracy at any time the financial position of ICAS. They are also responsible for safeguarding the assets of ICAS and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the ICAS.com website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. Council is responsible for the ongoing integrity of the financial statements contained therein. The maintenance and integrity of the website is the responsibility of the Executive Team.

Dean James Anderson 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 2024 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 2024 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 2024 in assessing the risks. This included the impact of the changing professional landscape and the market in which we operate, the risk presented by cyber security and the implementation of the 2030 Strategy programme.

Challenge	Risks	Mitigation and Link to ICAS Strategy
Maintaining Public Trust	- 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 equality, diversity & inclusion and climate change.	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. ICAS continues to play a key role in the changes to the profession and responding to the impacts for members.

Challenge	Risks	Mitigation and Link to ICAS Strategy
Supporting and remaining relevant to a global membership	- 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. It is increasingly important to ICAS' ongoing relevance that we make a positive contribution in relation to wider societal and environmental aims. - Challenges arise from the growing diversity of members' career paths, the potential impacts of technology and the importance of ensuring global mobility.	The ICAS 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. Our 2030 Strategy places significant emphasis on an organisation wide strategic focus on Ethical Leadership and Sustainability goals. We will harness our resources to make a positive impact.
Impact of rapid change in the profession	- A range of interrelated risks impact the activities of ICAS. The changing profession, economic pressures, the impact of AI / 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 relatively small 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. - The emergence of private equity in the profession will increase investment and drive consolidation of firms	The ICAS 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. We take great care with our key relationships and are constantly working to expand the group of employers who train with us.

Challenge	Risks	Mitigation and Link to ICAS Strategy
Financial risks of unpredictable events	• ICAS faces financial risks arising from the potentially high and volatile costs associated with public interest discipline and also from the inherent long term risks of the closed Defined Benefit Retirement Benefits Plan. There is a risk this could impact the future robustness of the balance sheet. • There is a risk that the current business model is unsustainable in the medium/ long term. • There is a risk we continue to face inflationary pressures in our cost base and puts pressure on our income and estate.	The ICAS strategy targets maintenance of sufficient liquid reserves to provide resilience against unpredictable financial risks. ICAS also has power to levy members in respect of public interest discipline costs – currently no levy has been raised since 2012. ICAS works closely with the Retirement Scheme Trustees to ensure the risks of the scheme are managed and is committed to continuing discussions on the long term strategy under the evolving funding regime. ICAS monitors inflation closely and seeks to mitigate the impact of cost increases across the organisation.
Information Security & Data Protection	• The risk that there is a failure or breach of physical or cyber security systems, or of data management events such as the handling of client/member/student data, or breakdown of CA assessment process or procedure. The resulting damage could be to our reputation, operations or both.	Regular assessment of Cyber Security & Data Protection is undertaken internally and further assurance provided by specialist external assessment. Regular business continuity plan test scenarios are undertaken.
Strategy fails to deliver anticipated benefits	• The risk is that the 2030 Strategy programme fails to deliver the business, strategic and competitive benefits anticipated from the investment	The Strategic Governance Group was set up by Council to oversee implementation of the Strategy. It meets regularly to ensure emerging risks are quickly highlighted and mitigations are put in place and to review progress against plan and budget. With the 2030 Strategy spend concluding, the Group will meet for a final time in 2025. Quarterly update reports are reviewed by Council and Oversight Board.
Anticipating and effectively managing our people risks	• 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.	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.



Douglas Meikle CA

Financial Statements

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Practice
Conference 2024



Financial Performance 2024

Group Results

The Group net loss for the year was £1.4m (2023: £1.5m).

The results reflect the continued planned investment in the 2030 strategic programme at a total cost of £2.1m (2023: £2.2m)

The Group profit before the strategic programme costs was therefore £0.7m (2023: £0.7m)

We expect the Group to return to profit in the year ending 31 December 2025, after two years of planned strategic investment.

Income

Total revenues grew by £0.7m to £21.3m in 2024. The main driver of the growth was the planned subscription fee increase combined with strong membership renewal rates.

Learning revenues decreased slightly in 2024 to £8.0m (2023: £8.4m) due to the transitional impacts of the new syllabus.

Expenditure

Group employment costs were £12.4m (2023: £11.3m) with the increase driven mainly by inflationary pressure on salary costs and continued strategic programme investment.

Other operating costs were £10.6m (2023: £11.2m). Regulatory monitoring third-party costs were significantly lower with the development of the ICAS monitoring team. IT licence fee negotiations saved significant costs.

Group net assets at the 31 December 2024 were £7.0m (2023: £7.9m).

Our principal office was revalued at £4.1m at the end of 2024. This is a decrease in valuation of £2.1m since the last revaluation in 2021. The main reasons for the fall in value are a downturn

in the Edinburgh commercial property market, partly driven by interest rates, an increase in construction cost expectation with a requirement for M&E improvement work.

At the 31 December 2024, on an IAS19 accounting basis, the defined benefit pension scheme has a net surplus of £0.1m (2023: net liability of £1.9m). The reduction in the liability is due to the discount factor increasing, reducing the valuation of the scheme liabilities, the contributions made by ICAS and changes to the membership of the scheme.

The ICAS Foundation had £2.1m total net assets (2023: £1.8m) and has a clear reserves policy statement in relation to these funds.

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 2024 of £11.9m) and a detailed forecast of revenue, expenditure and cash flow and an assessment of the principal risks facing ICAS.



Jaci Badenhurst, CA

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 three 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 2024 and reviews its own effectiveness annually.

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

During 2024, 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, and continuing the evolution of the risk management framework and met with the principal risk owners for Regulation, Customer Experience, Technology & Information Security.

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 revaluation of the principal office.

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.



Sustainability
event 2024

Independent auditor's report

to members of the Institute of Chartered Accountants of Scotland

Opinion on the financial statements

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 2024 and of the Group's loss and ICAS' loss for the year then ended; and
- the 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 2024 which comprise the Group and ICAS Income Statements, the Group and ICAS Statements of Comprehensive Income, the Group and ICAS Disclosure of Tax Effects Relating to Each Component of Comprehensive Income, the Group and ICAS Statements of Financial Position, the Group and ICAS Statements of Changes to Reserves, the Group and ICAS Statements of Cash Flow and notes to the financial statements, including a summary of material accounting policy information. 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 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 the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of 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 this Consolidated Financial Report. 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 assumption. We did this by considering the appropriateness of the assumptions and judgements made by 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. 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 evaluated sensitivity analysis for appropriateness and performed our own sensitivity analysis based on our own assumptions and judgements comparing results to the Council's outcomes;

- We performed 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 what 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 and new training contracts 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;
- We performed ratio analysis to identify key risk areas in relation to going concern and sought additional corroborative evidence to support our understanding and so direct our testing accordingly;

- We performed procedures to identify unrecorded liabilities that may exist in the Group. 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. This included testing the 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.

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 or 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.

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		2024	2023
	Revenue recognition including deferred revenue	✓	✓
	Valuation of the retirement benefit scheme obligation	✓	✓
Materiality			
Group financial statements as a whole			
£430,000 (2023: £390,000) based on 2% (2023: 2%) of revenue at the planning stage of the audit.			

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. On the basis of this, 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 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 on the entire financial information of the component, including performing substantive procedures and tests of operating effectiveness of controls; and
- Procedures on one or more classes of transactions, account balances or disclosures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following:

- Procedures were performed on the entire financial information of ICAS; and
- Procedures were performed on one or more classes of transactions, account balances or disclosures 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. We identified the following key audit matters:

Key audit matter

How the scope of our audit addressed the key audit matter

Revenue recognition (note 4, significant accounting policies note 1) including Deferred Revenue (note 18)	Revenue is considered to be the principal consideration in assessing the financial performance of ICAS and the Group. As detailed in the summary of significant accounting policies of the Group financial statements, revenue consists primarily of learning, member, standards, business services, customer experience and ICAS Foundation revenue. 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, standards and customer experience revenue as shown in note 4. For Learning (incl. admission fees), standards and customer experience revenue, determining the appropriate period of recognition (cut-off) 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.	In response to the key audit matter, our audit work included, but was not limited to: 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. Testing the admission fee (Learning Income) recognition and cut-off by agreeing the recognition and accurate deferral of admission fees charged to bank statements and invoices and considering the basis of any recognition estimates by reference to historic membership data to ensure that admission fees are recognised over the correct period. 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. 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 existing members to supporting documentation. Checking a sample of learning, standards and customer experience revenue to sales invoice, attendee lists and payment confirmation to gain assurance over the existence and accuracy of reported revenue. Testing the operational effectiveness of control procedures, specifically over the authorisation of practicing certificates relating to standards revenue to obtain an understanding of the design and effectiveness of the control. 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).
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Key audit matter

How the scope of our audit addressed the key audit matter

Revenue recognition (note 4, significant accounting policies note 1) including Deferred Revenue (note 18)	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.	Checking a sample of learning revenue to class lists 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 area represented a key audit matter given that the setting of these assumptions is complex and requires the exercise of significant judgement with the support of third party actuaries.	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 pension experts 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 materially 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	
	2024 £	2023 £	2024 £	2023 £
Materiality	430,000	390,000	409,000	384,000
Basis for determining materiality	2% of revenue at the planning stage of the audit.	2% of revenue at the planning stage of the audit.	2% 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 ICAS.	Revenue is considered to be the principal consideration for users of the financial statements in assessing the financial performance of ICAS.
Performance materiality	301,000	273,000	286,000	268,000
Basis for determining performance materiality	70% of materiality	70% of materiality	70% 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 ICAS 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 4% and 95% (2023: 3% and 92%) of Group 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 £11,900 to £286,000 (2023: £7,700 to £269,000).

Reporting threshold

We agreed with the Audit & Risk Committee that we would report to them all individual audit differences in excess of £17,200 (2023: £15,600) for the Group and £16,400 (2023: £15,000) for ICAS. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

The Council is 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's 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.

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 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:

- Review of minutes of meeting 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.

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 accrued and deferred income), and improper revenue recognition associated with year-end cut-off.

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).
- We sought to identify 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, such as journals by user, journals to significant risk areas such as revenue cut-off and material journals, 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 25 November 2024. 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.

Martin Gill  **26 March 2025**
For and on behalf of BDO LLP, Statutory Auditor
Edinburgh, UK

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 2024

	Notes	2024		2023	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Continuing operations					
Subscriptions and operating income	4	21,268	20,935	20,634	20,454
Employment costs	4,5	(12,430)	(12,210)	(11,288)	(11,149)
Other operating charges	4,6	(10,627)	(10,722)	(11,160)	(11,123)
(Loss) from operations	4	(1,789)	(1,997)	(1,814)	(1,818)
Gain on sale of investments		56	24	6	3
(Loss)/gain on sale of fixed assets		(56)	(56)	5	5
Finance income	7	410	354	379	330
Finance expense	23	(9)	(9)	(45)	(45)
(Loss)/profit before tax		(1,388)	(1,684)	(1,469)	(1,525)
Taxation	9	(19)	(19)	(30)	(30)
(Loss) for the year		(1,407)	(1,703)	(1,499)	(1,555)

Group & ICAS statements of comprehensive income for the year ended 31 December 2024

		£'000	£'000	£'000	£'000
		(1,407)	(1,703)	(1,499)	(1,555)
Other comprehensive income					
Items that will not be reclassified to income statement:					
Actuarial gain / (loss) recognised in the retirement benefit plan	20	1,322	1,322	(128)	(128)
(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	(12)	(12)	(3)	(3)
		279	279	(131)	(131)
Items that may be reclassified subsequently to income statement:					
Valuation gain on fair value through other comprehensive income equity investments	13	262	243	225	154
Realised (loss)/gain on disposal of investments		(29)	(29)	1	1
Tax on items that may be reclassified	19	(85)	(85)	(3)	(3)
		148	129	223	152
Other comprehensive gain for the year after tax		427	408	92	21
Total comprehensive (loss) for the year		(980)	(1,295)	(1,407)	(1,534)

Group disclosure of tax effects relating to each component of comprehensive income for the year ended 31 December 2024

	2024			2023		
	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	1,322	(12)	1,310	(128)	(3)	(131)
Valuation gain / (loss) on fair value through other comprehensive income equity investments	262	(85)	177	225	(3)	222
Gain on revaluation of investments which is recycled to Income Statement	(29)	-	(29)	1	-	1
(Loss) / Gain on revaluation of investments which is recycled to Income Statement	(1,255)	-	(1,255)	-	-	-
Gain on revaluation of other non-current assets	224	-	224	-	-	-
	524	(97)	427	98	(6)	92

Group & ICAS Statements of Financial Position as at 31 December 2024

	Notes	2024		2023	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment (PPE)	10	4,479	4,479	5,819	5,819
Right of use assets	23	187	187	301	301
Intangible assets	11	-	-	-	-
Listed investments	13	4,826	3,414	4,234	3,172
Retirement benefit surplus	20	110	110	-	-
Other non-current assets held at fair value	14	936	936	712	712
		10,538	9,126	11,066	10,004
Current assets					
Trade and other receivables	15	3,116	3,065	1,928	1,854
Fixed term deposits	16	4,355	3,642	811	132
Cash and cash equivalents	16	5,165	4,861	12,219	11,828
		12,636	11,568	14,958	13,814
Total assets		23,174	20,694	26,024	23,818

	Notes	2024		2023	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Current liabilities					
Trade and other payables	17	(2,861)	(2,701)	(3,204)	(3,041)
Lease liabilities	23	(102)	(102)	(102)	(102)
Deferred revenue	18	(6,349)	(6,349)	(6,000)	(6,000)
		(9,312)	(9,152)	(9,306)	(9,143)
Non-current liabilities					
Trade and other payables	17	(174)	-	(213)	-
Lease liabilities	23	(161)	(161)	(261)	(261)
Deferred revenue	18	(5,774)	(5,774)	(5,755)	(5,755)
Deferred tax	19	(751)	(751)	(659)	(659)
Retirement benefit obligation	20	-	-	(1,851)	(1,851)
		(6,860)	(6,686)	(8,739)	(8,526)
Total liabilities		(16,172)	(15,838)	(18,045)	(17,669)
Net assets		7,002	4,856	7,979	6,149
Reserves					
General funds:					
- General funds		1,535	1,535	3,790	3,790
- Relating to the retirement benefit obligation		110	110	(1,851)	(1,851)
Property revaluation reserve		2,060	2,060	3,258	3,258
Investment revaluation reserve		1,151	1,151	952	952
ICAS Foundation general fund		1,094	-	837	-
ICAS Foundation restricted fund		1,052	-	993	-
Total assets		7,002	4,856	7,979	6,149

The financial statements set out on pages 48 to 105 were approved and authorised for issue by Council on 20th March 2025 and signed on its behalf by


President


Chief Executive

Group & ICAS Statements of Changes to Reserves for the year ended 31 December 2024

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 01/01/2023	5,189	(1,746)	3,357	883	780	922	9,385
Loss for year	(1,293)	(262)	-	-	4	55	(1,496)
Actuarial loss in the retirement benefit plan	-	(128)	-	-	-	-	(128)
Unrealised loss on investment revaluation	-	-	-	154	53	16	223
Contribution to DB Pension Scheme	(285)	285	-	-	-	-	-
Realised loss on investment disposal	83	-	-	(82)	-	-	1
Transfer of revaluation depreciation	99	-	(99)	-	-	-	-
Deferred tax attributable to above	(3)	-	-	(3)	-	-	(6)
Total comprehensive income/ (expense)	(1,399)	(105)	(99)	69	57	71	(1,406)
Balance as at 31/12/2023	3,790	(1,851)	3,258	952	837	993	7,979
Loss for year	(1,473)	(230)	-	-	221	46	(1,436)
Actuarial loss 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

ICAS	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 01/01/2023	5,189	(1,746)	3,357	883	-	-	7,683
Loss for year	(1,293)	(262)	-	-	-	-	(1,555)
Actuarial loss in the retirement benefit plan	-	(128)	-	-	-	-	(128)
Unrealised loss on investment revaluation	-	-	-	154	-	-	154
Contribution to DB Pension Scheme	(285)	285	-	-	-	-	-
Realised loss on investment disposal	83	-	-	(82)	-	-	1
Transfer of revaluation depreciation	99	-	(99)	-	-	-	-
Deferred tax attributable to above	(3)	-	-	(3)	-	-	(6)
Total comprehensive income/ (expense)	(1,399)	(105)	(99)	69	-	-	(1,534)
Balance as at 31/12/2023	3,790	(1,851)	3,258	952	-	-	6,149
Loss for year	(1,473)	(230)	-	-	-	-	(1,703)
Actuarial loss 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)	-	-	(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)	198	-	-	(1,294)
Balance as at 31/12/2024	1,535	110	2,060	1,151	-	-	4,856

Group & ICAS Statements of Cash Flow for the year ended 31 December 2024

	Notes	2024		2023	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Cash flows from operating activities					
Profit /(Loss) for the year before tax		(1,388)	(1,684)	(1,469)	(1,525)
Adjusted for:					
Depreciation – historical	10	218	218	221	221
Depreciation – revaluation	10	98	98	98	98
Amortisation – intangible assets	11	-	-	69	69
Amortisation – Right of use assets	23	114	114	114	114
(Gain)/loss on sale of investments		(56)	(24)	(6)	(3)
Interest and dividend income	7	(410)	(354)	(379)	(330)
(Gain)/loss on sale of Fixed assets		56	56	(5)	(5)
Interest expense on finance leases	23	9	9	45	45
Retirement Benefit Plan payments	20	(869)	(869)	(285)	(285)
Pension expenses included in employment costs	20	230	230	262	262
		(1,998)	(2,206)	(1,335)	(1,339)
Changes in working capital:					
Decrease/ (increase) in trade and other receivables	15	(1,188)	(1,210)	200	225
Increase/ (decrease) in deferred revenue	18	368	368	843	843
Increase/ (decrease) in trade and other payables	17	(382)	(340)	720	710
		(1,202)	(1,182)	1,763	1,778
Cash generated from operations		(3,199)	(3,388)	428	439
Tax paid in the year		(35)	(35)	-	-
Deferred tax	9	(19)	(19)	(30)	(30)
Net cash flows (used in)/generated from operations		(3,253)	(3,442)	398	409

	Notes	2024		2023	
		Group	ICAS	Group	ICAS
		£'000	£'000	£'000	£'000
Cash flows from financing activities					
Principal paid on lease liabilities		(102)	(102)	(68)	(68)
Interest paid on lease liabilities	23	(9)	(9)	(45)	(45)
Net cash flows used in financing activities		(111)	(111)	(113)	(113)
Cash flows from investing activities					
Purchase of property, plant and equipment	10	(288)	(288)	(98)	(98)
Purchase of listed investments	13	(331)	-	(1,427)	(436)
Investment in fixed term deposits		(8,568)	(8,180)	(679)	-
Proceeds from disposal of listed investments	13	-	-	1,391	442
Proceeds from disposal of fixed term deposits		5,088	4,700	371	-
Proceeds from disposal of PPE	10	-	-	5	5
Interest received		329	280	277	248
Dividends received		81	74	99	71
Net cash flows (used in)/ generated from investing activities		(3,690)	(3,414)	(61)	232
Net increase in cash and cash equivalents		(7,054)	(6,967)	224	528
Cash in bank and on hand at 1 January 2024		12,219	11, 828	11,995	11,300
Cash in bank and on hand at 31 December 2024	16	5,165	4,861	12,219	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 4. 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. Significant accounting policies

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 2024, but had no material impact on the financial statements:

IFRS 17 Insurance contracts

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 2024:

- 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 2025:

- Amendments to IAS 21 – Lack of Exchangeability

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 during the 12 month period from the date of signing. Council has no reason to believe that ICAS will not be viable over a longer period and a three-year period reflects the 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 2024 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 £2,147k of net assets including investments of £1,412k, cash and cash equivalents of £1,026k and creditors of £349k representing research grants and bursaries payable. In addition to in kind support, ICAS donated £300k to the ICAS Foundation in 2024 (2023: £147k).

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 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

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 2024 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:

	2024 Group and ICAS £'000	2023 Group and ICAS £'000
Not later than one year	293	287
Later than 1 year but not later than 2 years	287	283
Later than 2 years but not later than 5 years	833	816
Later than 5 years	4,328	4,294
	5,741	5,680

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 (2023: 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	2024				2023			
	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	8,006	(3,844)	(477)	3,685	8,411	(3,829)	(625)	3,957
Members	338	(2,407)	(1,759)	(3,828)	350	(2,141)	(1,880)	(3,671)
Regulation	2,494	(1,402)	(667)	425	2,349	(1,149)	(668)	532
Business Services	221	(2,671)	(3,476)	(5,926)	125	(2,598)	(3,657)	(6,130)
Customer Experience	9,876	(1,887)	(4,343)	3,646	9,219	(1,432)	(4,293)	3,494
ICAS Foundation	333	(219)	95	209	180	(139)	(37)	4
Total	21,268	(12,430)	(10,627)	(1,789)	20,634	(11,288)	(11,160)	(1,814)

ICAS

	2024				2023			
	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	8,006	(3,844)	(477)	3,685	8,411	(3,829)	(625)	3,957
Members	338	(2,407)	(1,759)	(3,828)	350	(2,141)	(1,880)	(3,671)
Regulation	2,494	(1,402)	(667)	425	2,349	(1,149)	(668)	532
Business Services	221	(2,671)	(3,476)	(5,926)	125	(2,598)	(3,657)	(6,130)
Customer Experience	9,876	(1,887)	(4,343)	3,646	9,219	(1,432)	(4,293)	3,494
Total	20,935	(12,210)	(10,722)	(1,997)	20,454	(11,149)	(11,123)	(1,818)

In 2024 and 2023, inter-segment transactions related to ICAS providing funding for the ICAS Foundation.

For ICAS only, total revenues amounted to £20,935k (2023: £20,454k). 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 – 2024						
	Subscriptions	Regulation	Member & Other	Tuition	Admission	Total
	£'000	£'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

Group – 2023

	Subscriptions	Regulation	Member & Other	Tuition	Admission	Total
	£'000	£'000		£'000	£'000	£'000
Learning	-	-	-	8,053	358	8,411
Members	-	-	350	-	-	350
Regulation	-	2,349	-	-	-	2,349
Business Services	-	-	125	-	-	125
Customer Experience	9,219	-	-	-	-	9,219
ICAS Foundation	-	-	180	-	-	180
Total	9,219	2,349	655	8,053	358	20,634

5. Employment costs

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Salaries	10,219	10,035	9,211	9,092
Social Security costs	1,081	1,061	1,009	998
Pension costs – Defined Benefit Plan	230	230	280	271
Pension costs – Defined Contribution Plan	900	884	788	788
Total	12,430	12,210	11,288	11,149

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	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Salary	676	634	281	268
Social security costs	84	90	31	45
Bonus	105	105	80	77
Other Allowances	40	40	10	10
Pension costs	61	57	-	-
Total	966	926	402	400

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 2024 was 192 (2023: 178) and the average number of employees during the year was 188 (2023: 176), made up as follows:

	2024		2023	
	Group No.	ICAS No.	Group No.	ICAS No.
Learning	59	59	60	60
Members	39	39	34	34
Regulation	18	18	16	16
Business Services	34	34	35	35
Customer Experience	34	34	29	29
ICAS Foundation	4	-	2	-
Total	188	184	176	174

6. Other operating charges

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Education external contractors	2,694	2,694	2,740	2,740
Professional fees	934	927	1,040	1,035
Rent & venue hire	90	90	59	59
Paper, print & magazine production	628	628	686	686
Staff & committee travel & accommodation	242	242	332	332
Member events and hospitality	676	676	512	512
Training, recruitment & other related costs	376	376	769	769
Depreciation and amortisation	430	430	498	498
Apprentice Levy	34	34	29	29
Subscription charges	1,256	1,256	1,080	1,080
Property costs including rates	632	632	731	731
Postage	23	23	17	17
Advertising & promotion	366	366	392	392
IT maintenance	899	899	949	949
Unrecovered VAT	257	257	221	221
Telephone	118	118	112	112
Donation to ICAS Foundation	-	287	-	161
ICAS research and initiatives	129	129	123	123
Bursaries awarded	158	-	171	-
Regulatory costs	214	214	237	237
Equipment Hire	99	99	83	83
Bank and Credit Card Charges	185	185	175	175
Other	187	160	204	182
Total	10,627	10,722	11,160	11,123

7. Finance income

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Interest income				
Current account	59	59	36	36
Deposit account	270	221	244	223
	280	259	280	259
Dividend income	81	74	99	71
Total finance income	410	354	379	330

8. Profit/ (loss) from operations

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

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Depreciation (Note 10)	316	316	319	319
Amortisation of Intangible assets (Note 11)	-	-	69	69
Amortisation of Right of Use assets (Note 23)	114	114	114	114
Employment costs (Note 5)	12,430	12,210	11,288	11,149
Auditor remuneration (see below)	68	61	54	49
Non-audit services (see below)	14	14	9	9
Bursaries awarded	158	-	171	-
Charges related to low value leases	99	99	128	128

Profit/ (loss) from operations (continued)

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

	2024		2023	
	£'000	%	£'000	%
Audit service – ICAS	61	75%	49	78%
Audit service – ICAS Foundation	7	9%	5	8%
Tax compliance services	14	17%	9	14%
Total	82	100%	63	100%

9. Taxation

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

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Current tax			41	41
Current UK Corporation Tax	24	24		
Deferred tax			(11)	(11)
Current year (Note 19)	(5)	(5)	30	30
Taxation	19	19	15	15

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 funding obligation and the Retirement Benefit asset amounting to a credit of £1,322k (2023: debit of £128k) 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:

	2024	2023
	£'000	£'000
Profit/(loss) before tax for the Group	(1,388)	(1,398)
Tax at the UK corporation tax rate of 19% (2022: 19%)	(264)	(266)
Deferred tax charge	240	225
Tax effect of mutual activity*		
Tax charge for the year	(19)	(30)

*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 2023	1,200	5,055	568	446	7,269
Additions	-	46	-	52	98
At 31 December 2023	1,200	5,101	568	498	7,367
Accumulated depreciation:					
1 January 2023	-	(439)	(514)	(276)	(1,229)
Provided in year – historical	-	(149)	(29)	(43)	(221)
Provided in year – revaluation	-	(98)	-	-	(98)
At 31 December 2023	-	(686)	(543)	(319)	(1,548)
Carrying Value at 31 December 2023	1,200	4,415	25	179	5,819

Cost or valuation:					
1 January 2024	1,200	5,101	568	498	7,367
Additions	-	31	79	178	288
Disposals	-	(131)	-	(161)	(292)
Revaluation	30	(1,638)	-	-	(1,608)
At 31 December 2024	1,230	3,363	647	515	5,755

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:

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 2024 was £4,100k (2023: £5,615k).

Leasehold improvements included within buildings above amount to a NBV of £18k (cost £234k, depreciation £216k).

	£'000
At 1 January 2024	5,588
Additions	31
Disposals	(41)
Depreciation charge	(223)
Revaluation	(1,255)
At 31 December 2024	4,100

At 31 December 2024, had the land and buildings been carried at historical cost less accumulated depreciation, their carrying value would have been £2,302k (2023: £2,421k). 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 £1,858k (2023: £1,857k).

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	Internally generated	Total
	£'000	£'000	£'000
Cost:			
1 January 2023	167	805	972
At 31 December 2023	167	805	972
Amortisation:			
1 January 2023	(145)	(758)	(902)
Provided in year	(22)	(47)	(69)
At 31 December 2023	(167)	(805)	(972)

Carrying value at 31 December 2023

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	-	-	-

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:

	2024		2023	
	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

	2024		2023	
Listed Investments	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Investments at fair value				
As at 1 January	4,234	3,172	3,973	3,022
Additions	3,339	1,945	1,427	436
Disposals	(3,009)	(1,946)	(1,391)	(440)
(Loss)/gain on fair value through other comprehensive income	262	243	225	154
At 31 December	4,826	3,414	4,234	3,172

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 £4,826k (2023: £4,234k). The fair value of quoted investments is based on published market prices. Investments are broken down as follows:

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Bonds/Fixed Interest	827	827	935	935
Equities	2,187	2,187	1,902	1,902
Alternatives/Cash Products	-	-	335	335
Hedge Funds/Target Absolute Return	1,644	232	1,062	-
Property	168	168	-	-
At 31 December	4,826	3,414	4,234	3,172

14. Other non-current assets

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Art and Silverwork at 1 Jan 24	712	712	712	712
Gain on Revaluation	224	224	-	-
	936	936	712	712

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

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Trade receivables	1,883	1,871	1,079	1,064
Other receivables	439	417	234	191
Prepayments	794	777	615	599
	3,116	3,065	1,928	1,854

Receivables for goods and services provided at the period end date represent an average credit period of 53 days (2023: 34 days). No interest is charged on the receivable amounts. Included in the Group's trade receivable balance are overdue balances totalling £1,581k (2023: £325k). Aged debt is monitored closely, with overdue balances followed up on a timely basis. £6k has been provided against doubtful debts at the period end date (2023: £17k).

Ageing of past due but unimpaired receivables:

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
30 – 60 days	956	956	201	201
60 – 90 days	183	183	28	28
90 – 120 days	453	453	77	77
120+ days	(10)	(10)	19	19
	1,582	1,582	325	325

Of the trade receivables balance at the year end, £1,422k (2023: £514k) is due from the 4 largest customers. There are no other customers who represent more than 5.8% (2023: 5%) 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

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Cash and cash equivalents	5,165	4,861	12,219	11,828
Fixed term deposits	4,355	3,642	811	132

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 (2022: nil days). The Council considers that the carrying amount of trade payables approximates to their fair value.

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Current:				
Trade payables	247	263	374	374
Bursaries payable	170	-	156	-
Taxation and social security costs	863	863	878	878
Amounts held on behalf of members	23	23	21	21
Accruals and other creditors	1,558	1,552	1,775	1,768
	2,861	2,701	3,204	3,041
Non-Current:				
Bursaries payable	174	-	213	-
	174	-	213	-

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

18. Deferred revenue

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Fees in advance:				
Subscriptions	4,371	4,371	4,246	4,246
Admission fees	5,741	5,741	5,680	5,680
Class fees and training contracts	981	981	1,069	1,069
Regulation fees	948	948	707	707
Other deferred revenue	81	81	53	53
	12,123	12,123	11,755	11,755

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Analysed as follows:				
Current	6,349	6,349	6,000	6,000
Non-current	5,774	5,774	5,755	5,755
	12,123	12,123	11,755	11,755

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

	2024		2023	
	Class fees & training contracts	Member admission	Class fees & training contracts	Member admission
	£'000	£'000	£'000	£'000
At 1 January	1,069	5,680	930	5,594
Received in year	616	348	716	365
Released in year	(704)	(287)	(577)	(279)
At 31 December	981	5,741	1,069	5,680

"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:	2024		2023		Total
	Accelerated Tax Depreciation	Revaluation of Other Assets	Revaluation of Investments	Retirement Benefit Plan	
	£'000	£'000	£'000	£'000	£'000
At 1 January 2023	32	426	221	(15)	664
Release to income (Note 9)	(11)	-	-	-	(11)
Charge/(credit) to other comprehensive income	-	-	-	3	3
At 1 January 2024	21	426	224	(12)	659
Release to income (Note 9)	(5)	-	-	-	(5)
Charge to other comprehensive income	-	68	17	12	97
At 31 December 2024	16	494	241	-	751

20. Retirement Benefit Surplus / (Obligation)

As at 31 December 2024, 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 2024 were £869k (2023: £748k).

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 2024 were £230k (2023: £262k).

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 2024, ICAS made plan deficit contributions of £700k (2023 deficit contributions £100k) and funded £169k (2023: £185k) 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:

	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Reconciliation to consolidated statement of financial position		
Fair value of Plan assets	20,933	22,024
Present value of funded obligations	(20,823)	(23,875)
Net asset/(liabilities)	110	(1,851)

The 2024 net asset 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

	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Reconciliation to plan assets		
At 1 January	22,024	21,830
Interest income	948	1,027
Current services costs	(169)	(185)
Contributions by employer including costs of managing plan assets	869	285
Benefits paid	(1,355)	(1,155)
Actuarial (loss)/ gain	(1,384)	222
At 31 December	20,933	22,024

	Fair value of assets	
	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Composition of plan assets		
Matching Funds	6,642	7,798
Liquidity Fund	55	-
Diversified Fund	2,119	3,352
Equity Funds	2,120	4,161
Securitised Fund	2,967	342
JPM Unconstrained Bond Fund	3,013	2,995
M&G Alpha Opportunities Fund	3,727	3,376
Cash	290	-
At 31 December	20,933	22,024

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

	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Reconciliation to plan liabilities		
At 1 January	(23,875)	(23,576)
Interest cost	(1,009)	(1,104)
Benefits paid	1,355	1,155
Actuarial gain	2,706	(350)
At 31 December	(20,823)	(23,875)

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%.

	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Cumulative actuarial losses recognised in other comprehensive income		
At 1 January	(9,985)	(9,857)
Actual return less expected return on assets	(1,384)	(11,711)
Experience gains on the benefit obligation	274	(1,910)
Effect of change in demographics assumptions	(163)	23
Effect of change in financial assumptions	2,595	13,192
At 31 December	(8,663)	(9,985)

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	2024	2023
	Group & ICAS	Group & ICAS
	£'000	£'000
Expected return on plan assets	(948)	(1,027)
Unwinding of discount on plan liabilities (interest cost)	1,009	1,104
Administration costs	169	185
Total	230	216

The actual return on plan assets was a loss of £1,323k (2023: gain £299k). This represents the difference between the expected return on plan assets of £61k (2023: £77k) and the actuarial loss on those assets arising during the period of £1,384k (2023: gain £222k).

Principal actuarial assumptions Key assumptions used at the period end date are as follows:	2024	2023
Discount rate on plan liabilities	5.35%	4.35%
Expected increase in deferred pensions (RPI)	3.20%	3.00%
Expected increase in deferred pensions (CPI)	2.80%	2.50%
Inflation rate (RPI)	2.80%	3.15%
Expected future lifespan for members now aged 65		
- Male	20.6	20.8
- Female	23.1	23.2

The weighted average duration of the defined benefit obligation is at approximately 12 years (2023 13 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.

	2024	2023	2022	2021	2020
	£'000	£'000			
Plan assets	20,933	22,024	21,830	33,428	30,968
Plan liabilities	(20,823)	(23,875)	(23,576)	(35,041)	(36,500)
(Deficit) in the plan	110	(1,851)	(1,746)	(1,613)	(5,532)
Experience adjustments on liabilities	274	1,051	(1,910)	51	18
As a % of plan liabilities	(1.32)%	(4.4)%	(8.1)%	0.15%	0.05%
Experience (losses)/ gains	(1,384)	222	(11,711)	2,494	1,578
% of Plan assets	(6.61)%	1.01%	(53.65)%	7.46%	5.10%

Sensitivity of assumption	2024		2023	
	Assumption Change	Change in Obligation	Assumption Change	Change in Obligation
		£'000		£'000
Discount rate	-0.25%	622	-0.25%	782
RPI	0.25%	26	0.25%	29
CPI	0.25%	371	0.25%	509
Longevity of members	+1 year	630	+1 year	727

21. Reserves

General funds

The General Fund of £1,535k (2023: £3,790k) includes £1,500k (2023: £1,500k) earmarked for the specific purpose of FRC costs, £400k (2023: £400k) for other non-PIE disciplinary costs and 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 £110k (2023 an obligation of:£1,851k) 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 two restricted funds, with one for financial assistance to university students from the Dumfries & Galloway area seeking to study accountancy or finance, and the other for bursaries to students who are in financial hardship but wish to study accountancy.

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.

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Impact of 0.5% interest rate increase on Group bank balances	48	43	65	60

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 £9,520k (2023: £13,030k) in cash at bank and fixed term deposits. The Group holds £3,116k (2023: £1,928k) 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 4 largest 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	2024		2023	
	£'000	% of Revenue	£'000	% of Revenue
EY	2,915	14%	3,154	15%
PWC	1,022	5%	1,246	6%
Deloitte	797	4%	938	5%
KPMG	520	3%	751	4%

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	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Impact of 5% price movement on Group investments	241	171	211	159

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)

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.

	2024		2023	
	Lease Contracts Number	Fixed Payments %	Lease Contracts Number	Fixed Payments %
Property leases with periodic uplifts to market rentals	1	100%	1	100%
Leases of IT Equipment	-	-	-	-
	1	100%	4	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 2023	415	415
Amortisation	(114)	(114)
As at 31 December 2023	301	301
As at 1 January 2024	301	301
Amortisation	(114)	(98)
As at 31 December 2024	187	212

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 2023		
Additions	432	432
Interest Charge	45	45
Lease Payments	(113)	(113)
As at 31 December 2023	364	364
As at 1 January 2024		
Interest Charge	9	9
Lease Payments	(111)	(111)
As at 31 December 2024	262	263
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	160	160
Not later than 5 years	-	-
	262	262
Maturity profile of lease liability is:		
As at 31 December 2023		
Not later than one year	102	102
Later than 1 year and not later than 2 years	102	102
Not later than 5 years	159	159
	363	363

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 2024 amounted to £102k of lease principal (2023: £68k) and £9k of lease interest (2023: £45k).

24. Capital commitments

The Group and ICAS has capital commitments of £nil (2023: £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 2024.

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 2024 are £22k (2023: £22k). Donations from members to ICAS Cares of £49k (2023: £46k) and the ICAS Foundation £72k (2023: £71k) are collected via the annual membership return and transferred periodically to SCABA and the ICAS Foundation. At the period end date ICAS held £9k (2023: £8k) payable to ICAS Cares, and £13k (2023: £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 2023 one member of Council received £3.7k for being an Academic Member of the TPE Assessment Board. No other member of Council, except Public Interest Members, who as a group received £63k (2023: £23k) 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 £8k (2023: £5k) 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 £817k (2023: £649k) and £64k (2023: £131k) 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 in membership fees.

27. Financial instruments

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

	2024		2023	
	Group	ICAS	Group	ICAS
	£'000	£'000	£'000	£'000
Financial Assets				
Financial assets at fair value through OCI	5,792	4,380	4,946	3,884
Financial assets measured at amortised cost	11,842	10,791	14,343	13,215
Financial Liabilities				
Financial liabilities measured at amortised cost	2,174	1,838	2,539	2,163

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 2024						
Assets measured at fair value through OCI	4,826	3,414	936	936	-	-
As at 31 December 2023						
Assets measured at fair value through OCI	4,234	3,172	712	712	-	-

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.



CA House, 21 Haymarket Yards, Edinburgh, UK, EH12 5BH
+44 (0) 131 347 0100
connect@icas.com
[icas.com](https://www.icas.com)

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