



# **Audit Report**

**Association of Chartered Certified Accountants  
(ACCA)**

**12 December 2017**

# Contents

<b>1 Background</b>	<b>1</b>
1.1 Scope	1
1.2 Audit Report and Action Plan Timescales	2
1.3 Summary of Audit Issues and Recommendations	3
1.4 Risk Rating of Issues	5
<b>2 Detail of Audit Issues and Recommendations</b>	<b>6</b>
2.1 Issues	6
2.2 Recommendations	6
<b>3 Acceptance of Audit Findings</b>	<b>7</b>

# 1 Background

This was the third audit of the Association of Chartered Certified Accountants (ACCA) since it was approved as an awarding body by SQA Accreditation on 11 January 2012.

ACCA is a globally-recognised awarding body, dealing with accountancy qualifications. ACCA is a designated Professional Body under the Financial Services and Markets Act. ACCA's headquarters are in London with the principal administrative office in Glasgow.

## 1.1 Scope

SQA Accreditation carries out quality assurance activity in line with its *Quality Assurance of Approved Awarding Bodies Policy*. This states the type and frequency of our quality assurance activities, describes our reporting procedures and indicates how the awarding body's Quality Enhancement Rating is calculated.

As this was a full audit of ACCA, all regulatory requirements were included within the scope of the audit. Our quality assurance activities are conducted on a sampling basis and, consequently, not all aspects of the awarding body's systems, procedures and performance have been considered in this report to the same depth.

SQA Accreditation audit reports are written by exception focusing only on those areas where corrective action is required or recommended. Consequently, this approach to audit reporting does not detail areas where compliance or good practice was found.

The audit was designed to ensure ACCA complies with SQA Accreditation's regulatory requirements namely:

- ◆ *SQA Accreditation's Regulatory Principles (2014)*
- ◆ all *Regulatory Principles Directives*
- ◆ the awarding body's Accreditation Licence

Awarding body documentation considered for review by the Audit Team includes all documents banked on ACCA's SharePoint site at the time of audit and information supplied to support audit activity. Restricted or commercially sensitive information gathered during SQA Accreditation's quality assurance activities is treated in the strictest confidence.

## 1.2 Audit Report and Action Plan Timescales

ACCA audit date:	12 December 2017
Audit Report approved by Accreditation Co-ordination Group on:	17 January 2018
Audit Report to be signed by ACCA:	28 February 2018
Action Plan to be e-mailed to <a href="mailto:regulation@sqa.org.uk">regulation@sqa.org.uk</a> by ACCA:	28 February 2018

The process will apply in relation to the timescales specified above:

- ◆ The awarding body will be sent two signed copies of the Audit Report by post.
- ◆ The awarding body must sign both copies of the Audit Report and return one by post to SQA Accreditation in accordance with the timescale specified above.
- ◆ The awarding body will also be e-mailed a copy of the Audit Report (for information only) and an electronic copy of the Action Plan.
- ◆ The awarding body must complete and return the Action Plan in accordance with the timescale specified above and e-mail this in Microsoft Word format to [regulation@sqa.org.uk](mailto:regulation@sqa.org.uk).
- ◆ SQA Accreditation will confirm when the Action Plan is appropriate to address the Issues and present it to Accreditation Co-ordination Group (ACG) for approval.
- ◆ Following approval by ACG, the awarding body will be sent two signed copies of the approved Action Plan by post.
- ◆ The awarding body must sign both copies of the Action Plan and return one by post to SQA Accreditation.

The findings of this Audit Report and the associated Action Plan will be published on SQA Accreditation's website following signed agreement.

SQA Accreditation will continually monitor progress towards completion of the proposed actions identified in the Action Plan and update the awarding body's Quality Enhancement Rating as appropriate.

### 1.3 Summary of Audit Issues and Recommendations

An Issue has been recorded where evidence shows that the awarding body is not compliant with SQA Accreditation's regulatory requirements. The awarding body must address the Issues and specify corrective and preventative measures to address them through its Action Plan.

The Action Plan is e-mailed to ACCA as a separate document to the Audit Report, and must be submitted to SQA Accreditation in accordance with the timescale specified in 1.2.

As a result of the audit and post-audit activities, one Issue has been recorded and one Recommendation has been noted.

Issue	Detail of Issue recorded	Risk rating
1. Principle 14	ACCA is required to update its policy and procedure to define malpractice and maladministration and to describe procedures for handling both.	Medium

A Recommendation has been noted where SQA Accreditation considers there is potential for improvement. The awarding body is advised to address any Recommendations noted as good practice. However, measures to correct or prevent these are not mandatory and therefore do not form part of the Action Plan.

Recommendation	Detail of Recommendation noted
1. Principle 12	ACCA should review the wording of the guidance on its website regarding the role of SQA Accreditation in complaint handling.

## 1.4 Risk Rating of Issues

SQA Accreditation assigns a rating to each Issue recorded, depending on the impact on or risk to the awarding body's operations, its SQA accredited qualifications and/or the learner. Issues recorded during the audit will count towards ACCA's Quality Enhancement Rating which will, in turn, contribute towards future quality assurance activity. Further detail on how the Quality Enhancement Rating is calculated can be found on the [SQA Accreditation website](#).

## 2 Detail of Audit Issues and Recommendations

The following sections detail Issues recorded and Recommendations noted against SQA Accreditation's regulatory requirements.

### 2.1 Issues

**Regulatory Principle 14. The awarding body and its providers shall ensure that it has safeguards to prevent and manage cases of malpractice and maladministration.**

The Audit Team reviewed ACCA documentation on malpractice and maladministration prior to the audit and found that it lacked any reference to maladministration. SQA Accreditation's Regulatory Principles (2014) define malpractice and maladministration separately and require awarding bodies to differentiate between both. ACCA is required to update its policy and procedure to define malpractice and maladministration and to describe procedures for handling both. This has been recorded as **Issue 1**.

ACCA may wish to consider Regulatory Principles Guidance Note – Principle 14: Reporting and Managing Cases of Malpractice and Maladministration for further guidance.

### 2.2 Recommendations

**Regulatory Principle 12. The awarding body and its providers shall have open and transparent systems to manage complaints.**

ACCA should review the wording of the guidance on its website regarding the role of SQA Accreditation in complaint handling. Under the complaints section of ACCA's website it states that 'To be eligible for a qualification accredited by SQA Accreditation, you must be resident in Scotland at any point prior to the completion of the qualification'.

The revised wording should make it clear that learners can only complain to SQA Accreditation where they have undertaken an ACCA qualification that is accredited by SQA Accreditation; that SQA Accreditation is unable to overturn assessment decisions, and that our role is to ensure that ACCA has followed its published policies and processes for managing complaints. It should also remove any inference that only learners who are resident in Scotland are eligible to undertake qualifications accredited by SQA Accreditation — they are available across the UK. This has been noted as **Recommendation 1**.

### 3 Acceptance of Audit Findings

For and on behalf of ACCA:

For and on behalf of SQA Accreditation:

**Print name**

**Print name**

.....

.....

**Signature**

**Signature**

.....

.....

**Designation**

**Designation**

.....

.....

**Date**

**Date**

.....

.....