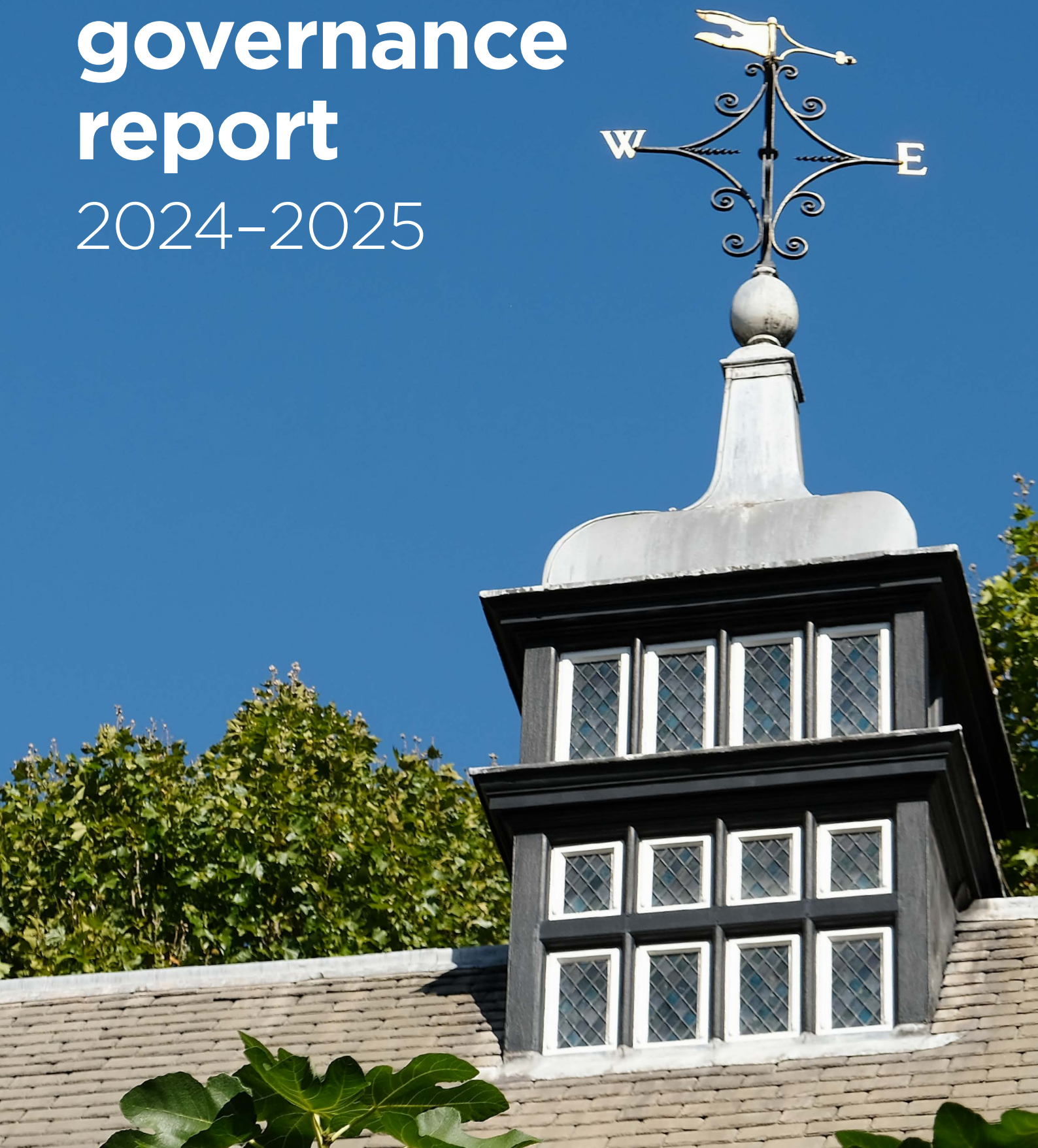




Institute
and Faculty
of Actuaries

Finance and governance report

2024–2025



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Corporate governance statement

Constitutional framework

The Institute and Faculty of Actuaries (IFoA) is a royal chartered professional body. Our Royal Charter, which dates back to 1884, provides the constitutional basis for all that we do and for much of our corporate governance. Our Bye-laws, Rules and Regulations go on to define, at a high level, how we operate.

More details on the IFoA's constitutional arrangements and governance hierarchy can be found on our [website](#).

The Council of the IFoA has ultimate authority for the governance and control of the organisation. Council delegates certain powers to various boards and committees, and to the Chief Executive (with established reporting lines), as prescribed under a Scheme of Delegations set out in our Governance Manual.

Last year, Council agreed a fundamental change in the IFoA's governance structure, with the introduction of a new Unitary Board ('the IFoA Board'), replacing the then Management Board from 1 April 2024. Under these new arrangements, Council delegates to the IFoA Board the overall leadership of the IFoA as an organisation, including setting its strategy, planning and reporting responsibilities, but remains the IFoA's ultimate governing body and retains certain reserved powers. This corporate governance statement is the first such statement since the introduction of the new governance arrangements, and covers the period 1 March 2024 to 28 February 2025.

In accordance with our Bye-laws, we must give our members at least 60 days' notice for our Annual General Meeting (AGM), which must be held within 15 months of the previous AGM.

The main boards and committees structure, as operated during 2024/25, is set out on [page 9](#).

The IFoA complies with the UK Corporate Governance Code on a 'comply or explain' basis, recognising that parts of the Code do not relate exactly to the governance of a royal chartered professional body. We operate within regulatory oversight of the Financial Reporting Council as a recognised qualifying body; and within oversight of the Financial Conduct Authority in respect of our responsibilities as a Designated Professional Body under the Financial Services and Markets Act 2000.



Honorary officers



Paul Sweeting
President-elect



Kartina Tahir Thomson
President



Kalpana Shah
Immediate Past President

Under the IFoA's constitution, Council decides who will serve as its President and President-elect. Currently, Kartina Tahir Thomson is the President of Council and Paul Sweeting is the President-elect, elected by Council in May 2024. The Immediate Past President during this year has been Kalpana Shah.

In line with the recently implemented reforms to our governance, from the 2025 AGM:

- the President will serve for a term of two years;
- the President-elect will be elected biennially, with the next election to be held in 2026; and will serve in that role for one year; and
- the role of Immediate Past President will be eliminated.

Council

Representative of and accountable to the IFoA's members, Council demonstrates leadership and drives the purpose and values of the IFoA. Council currently has 31 members serving the General and the Scottish constituencies.

Elections for new Council members are held annually, with all Fellow and Associate members of the IFoA eligible to stand as a candidate, and vote in the ballot, for the constituency of which they are a member. Elected members of Council will normally serve for a term of three years, and for a maximum of two consecutive terms before standing down for at least a year. Council may fill any casual vacancies on Council, and add up to three additional members as prescribed in our Regulations, through its co-option powers.

Upon appointment, all new members of Council are provided with an induction designed to provide closer understanding of the governance structure of the IFoA, their roles and responsibilities, and the strategic and operational priorities of the IFoA. Members of Council are not paid for services to the IFoA, apart from being reimbursed for out-of-pocket expenses (for example, travel costs where attending an event as a representative of or on behalf of the IFoA) and, very rarely, payments on a normal commercial basis. Members of Council, and all other boards and committees, are required to declare any potential conflicts of interest that arise, and are also invited to identify and declare any potential conflicts of interest at the start of each meeting.

In the last financial year Council met formally 10 times, including its annual strategy day, and held regular engagement sessions at which Council members had the opportunity to discuss in detail some of the key topics on the agenda of its upcoming meetings.

Council's main focus throughout the past year has been on the development of its vision – with the aim of expanding the agreed vision statement into underlying principles which will guide the future of the IFoA and assist the IFoA Board in developing a multi-year strategy and the corporate plans to deliver it.

In order to do so, Council established five sub-groups to explore the detailed vision principles that sit within each of the following themes: learning; skills and domains; the global perspective; member experience; and standards and regulation.

Whilst Council recognises that any vision will have nuance, its primary commitment as a governing body is to ensure the progression of the IFoA. Its aim in developing the vision has, therefore, been to ensure that the voice of the membership, which has been heard and understood by Council, is fully reflected in the future of the IFoA. Council also considers that its detailed work on the vision provides a valuable opportunity for Council to partner with the IFoA Board, each fulfilling their respective roles in translating the vision into the IFoA's future strategy.

Following the governance changes implemented last year, Council has also focussed this year on embedding those changes, including the establishment of the IFoA Board and the implementation of the Council working group's recommendations on governance reform. Discrete working groups were established to consider in detail how to deliver these recommendations and engagement with members and Practice Boards has informed the next steps required.

An integral component of the new governance arrangements has been the formal delegation of operational decision-making to the IFoA Board. The success of this delegation has required the concerted and continued exercise of discipline and strong leadership by Council, to enable the appropriate level of oversight and the avoidance of circular governance arrangements.

Other key areas of focus and achievement for Council in the past year include:

- The introduction of a direct reporting line from the IFoA's Practice Boards to Council, and the initiation of further work, led through engagement with Practice Boards, to explore how best to harness valuable outputs and ensure the alignment of Practice Board activity with the strategic vision of the IFoA.
- Engagement with the IFoA Board in relation to membership concerns regarding exam integrity, allowing the opportunity for Council to provide constructive challenge to the Board in terms of the effective delivery of its identified solution.
- Continuing to explore the threats, challenges and opportunities that Generative AI presents to both the IFoA and its members.
- The establishment of a working group to review the effectiveness of the governance changes recently implemented, with a view to making recommendations to Council as to the formalisation of these changes within the IFoA's constitution.
- Oversight of the IFoA Board and its committees, ensuring that Council is supplied with adequate information and opportunity to enable it to fulfil this oversight role and achieve the appropriate level of assurance across all areas of operation and governance.



Whilst Council recognises that any vision will have nuance, its primary commitment as a governing body is to ensure the progression of the IFoA.

Council members

The members of Council for the 2024/2025 sessional year were:



Nico Aspinall



Oliver Bettis



Cherry Chan



Akshay Dhand



Matthew Edwards



Colm Fitzgerald



Matthew Ford



Richard Galbraith



Riekie Gordon



Dermot Grenham



Simon Jones



Yan Liu*



Catherine Lyn



Hugh McNeill



Janet Moss



Mukami Njeru



Matthew Pearlman



Melanie Puri



Alan Rae



Hilary Salt



David Shaffer



Kalpana Shah



Malcolm Slee



Katie Sokolowski



Paul Sweeting



Kartina Tahir
Thomson



Peter Tompkins



Sandy Trust



Mark Williams



Cynthia Yuan



Masimba Zata

IFoA Board

Under delegated authority as set by Council, IFoA Board was responsible during the last year for overseeing the operation and management of the IFoA and for holding the Executive accountable for its activities. In particular, IFoA Board had oversight responsibility for matters related to the development and implementation of the IFoA's strategy, the Corporate Plan, operational plans, and all matters related to the organisation's resources.

IFoA Board is comprised of an independent lay Chair, two additional independent non-member non-executive directors, five independent member non-executive directors, including the President, and the CEO. The President-elect attended meetings as an observer. Lord David Currie was appointed Chair of IFoA Board with effect from 1 April 2024 and led the recruitment process for the rest of the IFoA Board. Sheila Kumar (non-member iNED) serves as the Senior Independent Director (SID)

The Chair of IFoA Board was invited by the President to attend Council meetings to update Council on the activities of the IFoA Board.

IFoA Board formally met 12 times in the last year (and, prior to the formation of the IFoA Board in April 2024, the Management Board met once). The IFoA Board's main areas of focus in the past year were:

- Oversight of the operational development, progression and implementation of the reforms to the IFoA's governance, including:
 - the development of a transition plan to the new arrangements;
 - ensuring robust and timely processes for appointing members of the successor IFoA Board;
 - scrutinising the revision work carried out to ensure that IFoA's governance manual was updated appropriately so that it accurately captured the new governance arrangements upon their implementation;
 - establishment of the IFoA Board's committee structure, including the constitution of a new Education Committee, Member Experience Committee and Technology Committee;
- The processes to be followed in searching for candidates for appointment to the permanent position of Chief Executive Officer following the departure of Stephen Mann in September 2023.
- Reviewing the IFoA's relationships and reciprocal arrangements with other actuarial associations and related organisations, to ensure these best fit the needs and requirements of the IFoA and its members.
- Overseeing the progress, delivery and benefits to members of the various major change programmes during the year, most notably the delivery of infrastructure improvements to support the progression of online learning and examinations.
- The progress and achievements of the IFoA Foundation, and the positioning of the Foundation's second three-year plan.
- Overseeing the activities and progress of the Scottish Board.
- Overseeing performance against the IFoA's Corporate Plan for 2024/25 and developing and approval the Corporate Plan for 2025/26 and the one-year bridge strategy.
- Oversight of the move from open-book, open-web examinations to in-person, closed-book, closed-web examinations. Supporting the Executive in the implementation of online proctoring of remote examinations

IFoA Board members



Lord David Currie
Chair and Independent
Non-Executive Director



Kartina Tahir Thomson
President and Member
Non-Executive Director



Paul Lewis
Chief Executive
Officer



Kudzai Chigiji
Member Non-
Executive Director



Sheila Kumar
Independent Non-
Executive Director



Tony O'Riordan
Member Non-
Executive Director



Aaron Porter
Independent Non-
Executive Director



Andrew Rear
Member Non-
Executive Director



Hitesh Shah
Member Non-
Executive Director

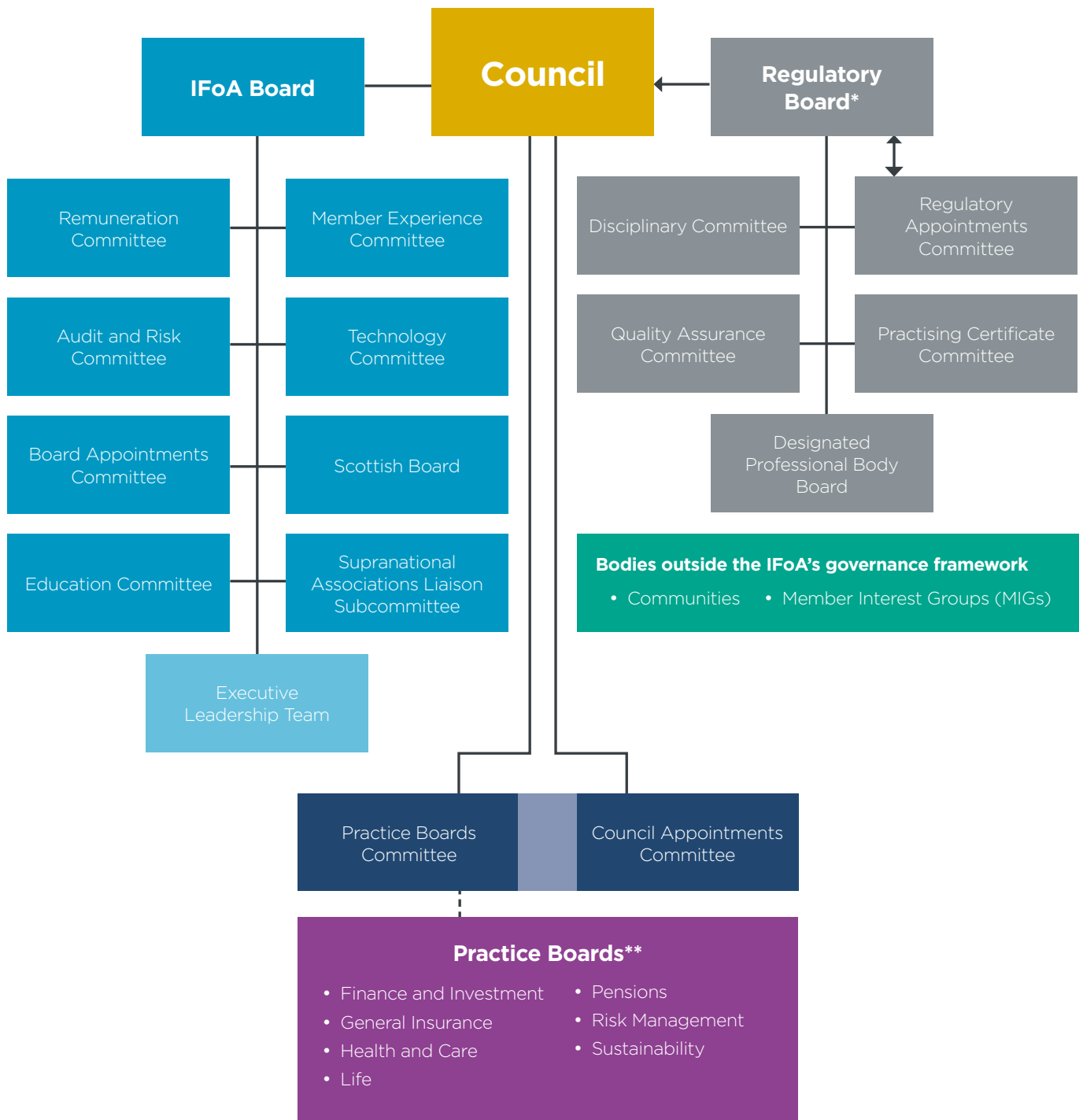
Remuneration and People Committee

The Remuneration and People Committee is a committee of IFoA Board. Its main responsibilities are to review and agree the remuneration packages of the IFoA's Chief Executive, Executive Directors, and the Chair of IFoA Board, to participate in the objective-setting process for the Chief Executive and Executive Directors, and to set guidance for and review the remuneration of the IFoA's non-executive Office Holders. The Committee is chaired by Sheila Kumar, an independent non-executive non-member with extensive remuneration committee experience, and also comprises the President, the Chair of IFoA Board and an independent non-executive member with remuneration committee experience. The Committee met five times in the last year.



Sheila Kumar
Chair, Remuneration
and People Committee

Governance structure schematic



* **The Regulatory Board** will operate independently of Council, demonstrating the IFoA's commitment to progressive regulation. An important formal link with Council will be maintained with a Council member sitting on the Regulatory Board.

** **The Practice Boards** will report - either directly or through the Practice Boards Committee - to Council.

Chief Executive

Paul Lewis is the permanent Chief Executive of the IFoA, joining on 6 January 2025. Ben Kemp served as interim Chief Executive following the departure of Stephen Mann in September 2023.

The Chief Executive, appointed by IFoA Board, contributes to the development of strategy and creates operational plans to deliver it. He is responsible for the executive management and administration of the IFoA and is supported by the Executive Leadership Team who report directly to him. The Chief Executive is accountable to the IFoA Board for the delivery of the strategy and operational plans, and for setting the priorities for the IFoA's executive management team.



Paul Lewis
Chief Executive Officer

Audit and Risk Committee

The Audit and Risk Committee provides oversight to confirm that the IFoA's risk management policies and structures are appropriate and operating effectively and that the IFoA adopts a sound approach to financial control.

As part of the implementation of the IFoA's governance reforms, from the 2024 AGM the Audit and Risk Committee reports to the IFoA Board.

Trevor Spires chaired the Committee until July 2024, The Committee is now chaired by Tony O'Riordan (a member iNED of IFoA Board). and comprises two further members of the IFoA Board and an independent non-executive member with audit and risk committee experience.. The Committee met six times in the last year.

The Committee has an oversight role and gives its views to management on the financial statements, external and internal audits, risk management and internal controls, governance matters and other ad hoc issues.

Crowe LLP was the IFoA's appointed internal auditor for the 2024/25 financial year. The Committee considered and approved Crowe's annual internal audit plan at the start of the year, and Crowe conducted audits in accordance with that plan. The Committee receives a report on the IFoA's compliance with actions from past internal audits on a periodic basis



Tony O'Riordan
Chair, Audit and Risk Committee

Buzzacott Audit LLP was the IFoA's external auditor for the 2024/25 financial year. The Committee reviews, on an annual basis, the external auditor's audit plan, scope of audit work, quality control processes and independence. The Committee was content that these were satisfactory and approved the audit plan for this year. At the year end the Committee considered the external auditor's performance of its duties and was content with the level of service received.

The Committee prepares an annual report for IFoA Board's review.. The Committee also reports to IFoA Board on any significant matters identified by the Committee after each Committee meeting.

Regulatory Board

The IFoA is committed to ensuring that regulatory decision making is undertaken in accordance with modern, transparent governance and with appropriate independent input to underpin confidence in the profession, uphold standards and safeguard its reputation.

Under delegated authority as set by Council, Regulatory Board acts independently of Council in relation to the approval of the regulatory programme in the public interest. During the past year it reported to the IFoA Board on its activities and progress and to Council on strategic matters, and was accountable to the IFoA's oversight body, the Financial Reporting Council. It ensures that the IFoA's regulatory objectives are being delivered and remain appropriate. The Regulatory Board oversees the delivery of the IFoA's regulatory functions, including: codes and standards relating to professional conduct and competence, including the CPD Scheme, disciplinary and enforcement functions, and the public interest regulatory aspects of the IFoA's examination and admissions framework. It oversees the proper integration of the IFoA regulatory framework in all activities.

During the last year, the Regulatory Board undertook an extensive review of the feedback from the member consultation on the draft guidance to support proposed DEI changes to the Actuaries' Code, and reached consensus on the final amendments that will be incorporated into the Code, focusing on the general changes that clarify existing principles and removing any ambiguity. The revised approach is intended to ensure that all members of the profession feel included and protected, while also respecting the full range of perspectives on DEI.



Neil Buckley

Lay Chair,
Regulatory Board

Regulatory Board has a lay Chair, Neil Buckley, and its members include lay people and a balanced representation of member volunteers from different practice areas. The Regulatory Board has one representative from the IFoA's Council and the IFoA's General Counsel (or nominee) as Executive member. Regulatory Board met formally seven times in the last year, as well as holding its annual strategy day. Minutes and papers from its meetings are published on the IFoA website. The Regulatory Board publishes an annual report on its work and progress. The Financial Reporting Council attends Regulatory Board meetings periodically in an observer capacity, and produces its own annual report on its oversight activities.

Council Appointments Committee

The Council Appointments Committee (which, until 1 April 2024 was known as the Nominations Committee) is responsible for overseeing appropriate succession planning. It makes recommendations to Council on retirements from Council, the processes for appointing the President-elect and elections to Council, and the appointment of chairs and members to boards, committees and other bodies where appropriate. The Committee comprises 6 members of Council, including the President, and has been chaired this year by Kalpana Shah. The Committee met seven times in the last year.



Kalpana Shah

Chair, Council
Appointments
Committee

Executive employees and volunteers

The IFoA values a diverse workforce and is committed to building an inclusive culture where all employees are included, feel a sense of belonging and can thrive. In line with the IFoA's articulated Diversity, Equity and Inclusion (DEI) strategy, an employee-led Diversity, Equity and Inclusion Group undertakes activity which encourages and supports the organisation in progressing DEI for all colleagues.

In line with the IFoA's DEI strategy, a fair, open and transparent process that encourages diversity is also in place for volunteers wishing to serve on IFoA boards and committees, with a clear statement on Diversity, Equity and Inclusion included within all volunteer vacancies.

The Governance Manual and Volunteer Information Pack (VIP) provide guidance and support. Volunteer engagement is monitored regularly through a volunteer satisfaction survey, the results of which are reported to the Chief Executive, the Executive Leadership Team and the IFoA Board.

All people-related policies are updated in line with changes in employment law, and professional employment legal advice is used to ensure appropriate compliance. Salaries are benchmarked against market salary levels, as assessed by an independent external provider and overseen by the IFoA's Remuneration and People Committee (in the case of the Chief Executive and Executive Directors).

The IFoA runs an annual performance management process which includes objective-setting, appraisal, and professional development planning. The process encourages managers to meet regularly with their team members on a one-to-one basis and there is a mid-year review to check progress. Training needs are identified from individual development plans and the IFoA offers a variety of learning opportunities to address them. Ongoing training and development is provided to Council and the IFoA Board to support their effectiveness in their non-executive roles.

An employee forum meets regularly to give employee representatives a further opportunity to be consulted and involved, and feeds back employee views directly to the Chief Executive, Executive Leadership Team, and Head of Human Resources. Employee engagement is also monitored quarterly through an employee survey, the results of which are reported to the Chief Executive, the Executive Leadership Team and the IFoA Board and then shared with employees, with actions to address concerns and drive improvement identified.

The IFoA has committed to a hybrid way of working, where colleagues have flexibility around where they work; this might be in one of the IFoA's "hubs" for collaborative work, or it could be working remotely, should the task require concentration and focus. Colleagues continue to feel connected to the organisation through regular Town Halls, communications and group and team meetings. The organisation has improved its technology to ensure colleagues have the tools needed to do their jobs effectively.

The wellbeing of our colleagues continues to be a priority for the IFoA. Many external factors, such as high cost-of-living and political uncertainty, are impacting emotional wellbeing and the IFoA has a wide range of support mechanisms in place, such as a well-established wellbeing policy, an annual wellbeing week, Employee Assistance Programme and trained Mental Health First Aiders.



The IFoA values a diverse workforce and is committed to building an inclusive culture where all employees are included, feel a sense of belonging and can thrive.

Corporate social responsibility

The IFoA's business practices reflect our commitment to developing positive social, environmental and ethical impact through a number of initiatives:

Social

The IFoA has a standalone charitable entity, the IFoA Foundation, which works with the global actuarial community for positive social impact. It is a fundraising and grant-making charity, led by a Board of Trustees and run by a small staff team, collaborating with IFoA colleagues.

To date, the Foundation has empowered more than 400 actuarial students with international scholarships, grants and mentoring; rewarded over 150 individuals for excellence in exams and communication; inspired 20,000 UK school pupils with maths, financial education and career insights; and built an active volunteer community of more than 50 actuaries.

The IFoA contributes to the Foundation's operating costs, enabling 100% of donations from IFoA members and partner organisations to directly benefit young people's education and the career trajectories of aspiring actuaries worldwide. This encourages IFoA members to engage in philanthropic activity through the Foundation, with individuals choosing to donate together and participate, sharing their expertise and diverse experiences in the spirit of 'actuaries supporting others'.

More information on the work of the IFoA Foundation can be seen in its **Impact Report for 2024**



The IFoA has published a statement outlining the steps it has taken to ensure that modern slavery of any form is not taking place either within our organisation or in our supply chain. We introduced modern slavery compliance clauses into our supplier contracts in 2015, and we are committed to proportionate due diligence in our supply chain as part of any contract review or procurement exercise (with due diligence prioritised in industries where risks associated with modern slavery are statistically higher). We ensure that no-one within the organisation is paid at a rate below the Real Living Wage and ask that our suppliers pay the Living Wage where we can influence this. Appropriate policies in this area are in place and regularly maintained, and periodically scrutinised, by the Audit and Risk Committee.





Our aim is to be Net Zero by 2030

Sustainability

The IFoA recognises that environmental issues are fundamental to a responsible business strategy. As an action-oriented, forward- and outward-looking global organisation we are committed to adopting sustainable business practices for the benefit of society and to secure the future of the planet by:

- Issuing ethical and professional guidance on climate change
- Embedding environmental issues into the work of our boards and public policy initiatives
- Providing thought leadership in a series of climate reports with earth scientists
- Establishing a climate scenarios committee to engage with UK regulators
- Contributing as members of the Sustainable Finance Education Charter and the Professional Bodies Climate Action Charter
- Providing further learning through a Climate Risk and Sustainability Course
- Offering extensive resources and Practical Guides on our website to support actuaries in their understanding of climate risks and opportunities, and to encourage the incorporation of these risks and opportunities into actuarial advice
- Issuing a Biodiversity and Nature-Related Risks Policy Statement, accompanied by learning resources and guides.

We have enhanced our data collection methods and quality of data to encompass as much of our scope 3 emissions with a more granular method, therefore, we are in the process of reviewing our emissions with our new providers.

Whilst we have made reductions in some areas, we continue to work on our Carbon Management Plan to focus on continued emission reductions.

In 2024, we created a Net Zero procurement strategy as our third-party suppliers, are a large proportion of our scope 3 emissions, supporting our suppliers to also reduce their emissions. You can read more about the IFoA's commitment to sustainability on our **website**.

Diversity, Equity and Inclusion

The IFoA and its members recognise the importance and value of accessibility and belonging, rooted in our commitment to act in the public interest. The IFoA represents a diverse global community, and we consider this to be one of the key strengths of our organisation. Our Strategy reflects the role our professional membership body should take to ensure that our current and future members and volunteers, as well as our employees, feel they work in an environment where they belong, can make an impact and succeed. Our understanding of diversity, equity and inclusion (DEI) is rooted in our ultimate aim of building a profession that is genuinely inclusive and accessible, for the benefit of all current and future members, volunteers and employees, wherever they are in the world. We have a clearly stated purpose to ‘champion and embody the benefits of a globally diverse and inclusive profession’ and do not tolerate discrimination in any form.

In line with this, over the past year we have continued implementation of the five-year strategy, launched in January 2022 with the unanimous support of Council. The strategy includes 43 actions aimed at supporting our members, the profession and our employees. The actions are structured around seven themes: Leadership and Culture; DEI at the IFoA; Entry to the Profession; Actuarial Work; Supporting Members in their Careers; Supporting Members in Difficulty; and Improving DEI in our Community. Joint responsibility for delivering activity in support of the strategy is held by the Executive and our member-led Diversity Action Group.

Some of our key recent activity in delivering the strategy commitments includes:

- Continuing to collect and publish voluntary demographic data for key IFoA boards on an annual basis.
- Developing valuable partnerships with organisations including GAIN, Diversity Project, and Progress Together. The IFoA sponsored Progress Together’s inaugural Progress Pioneers Summit event at the London Stock Exchange. We also featured keynote Johnny Timpson, GAIN founder, at the Life Conference with a session on consumer protection and inclusion. We worked with Connectr and Pacific Life Re to host an employer roundtable on women in the actuarial profession, considering successful strategies for promoting the attraction and retention of women in the profession.
- Supporting boards and committees to embed DEI as a lens in their activity, and supporting the work of DEI Champions for IFoA practice boards. Providing DEI-related training to IFoA colleagues and leadership groups.
- Developing and sharing communications to promote awareness of DEI within and outside of the IFoA, recognising key DEI calendar dates and sharing information on a range of topics. This has included content shared in recognition of National Inclusion Week, and a Pride Month blog series in collaboration with IFoA members.
- Conducting our fourth annual IFoA colleague DEI survey, gathering information on the demographics of our workforce as well as perceptions of our culture.
- Continuing to run our DEI Employer Network with sessions for employers on inclusive recruitment, staff networks and intersectionality.
- Launching the Women Actuaries Community with an event celebrating 100 years of Women in the actuarial profession, providing a dedicated space for members to network and share advice.
- Welcoming the sixth cohort for the Actuarial Mentoring Programme (AMP), a global mentoring initiative delivered by Moving Ahead.
- Publishing major research with a DEI lens, including research on the gender pension gap, and highlighting ongoing work by the LGBTQ+ insurance implications working party.
- Continuing to raise awareness of actuarial careers, launching the Data Driven Futures programme in partnership with the EY Foundation to provide paid employability experience to young people from diverse backgrounds.
- Delivering an actuarial insights day with University of Essex for A-level maths students, Actuarial Careers Showcases at both the Life and GIRO conferences, and another successful Count Me In webinar.
- The IFoA also voluntarily compiles a Gender Pay Gap report annually, and publishes this report on our **website**

Risk Management

The IFoA operates an Enterprise-wide Risk Management Framework to identify, evaluate and manage proportionately the risks faced by the IFoA. The existing risk governance model that applied throughout the 24/25 Financial year is illustrated, in outline, on page 13. Transition to the new governance model is complete, with risk governance (set out here) forming part of this. Regulatory risks are managed by the Regulatory Board and fed into this overarching risk framework. Risk Management of IFoA subsidiary companies are managed independently within each legal entity. Risk contagion that could impact the IFoA arising from the actions of any subsidiary (or vice versa) is considered as part of both the IFoA and subsidiary company risk management activities.

The overall risk appetite has been set by the IFoA Board and forms part of decision-making throughout the IFoA.

The IFoA Board has approved the ownership of risks across the IFoA. There is continual work to assess and review all the main threats that the IFoA faces within the risk framework at Board level with strategic risks additionally reported to Council.

Delivery of the Corporate Plan, and operational risks, are owned by the IFoA Board. The IFoA's Head of Risk provided an independent review of the agreed Corporate Plan to the Audit and Risk Committee and the IFoA Board, in which risks and challenges to the successful delivery of the plan are identified and an assessment of the measures in place, or proposed, to manage or mitigate those risks, are identified.

The Executive Leadership Team provides risk oversight and a positive risk culture by contributing to the identification and mitigation of risks across all categories and ensuring that balanced risk-taking within approved risk appetite tolerances is achieved, with effective reporting to support decision-making.

Decision-making across the IFoA is driven by consideration of risks and opportunities in the context of the overall appetite and all potential barriers to achieving the Corporate Plan.

All categories of potential internal and external risk to the IFoA have been under active consideration and reported on throughout the past year.

In order to achieve the correct balance of risk and mitigation strategies, the costs of risks and their mitigation are examined with close reference to the IFoA's appetite for risk and its commitments within its Charter, and to the principles, purpose and values of the organisation. These include commitments to colleague opportunities and diversity, equity and inclusion goals.

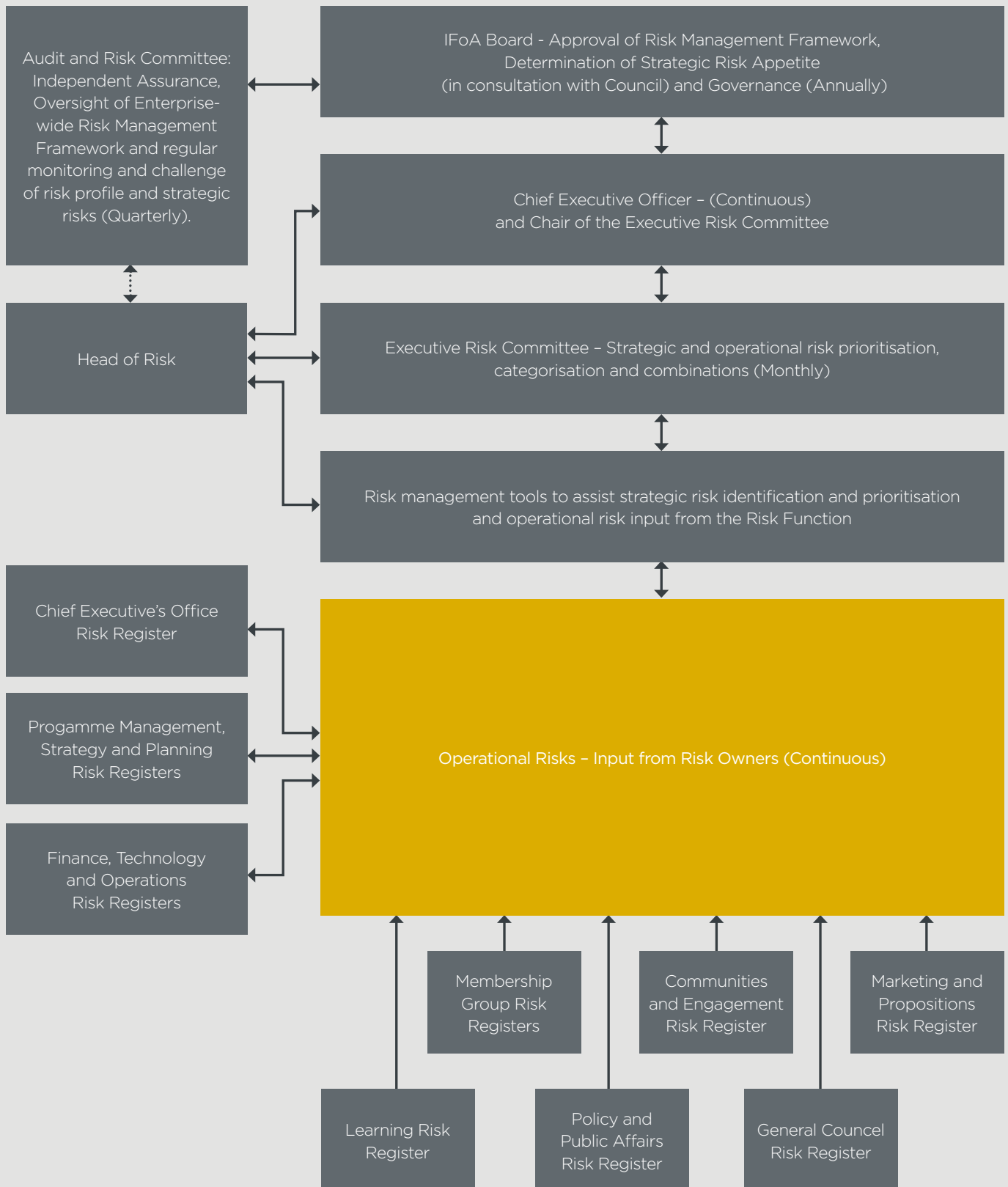
Where events occur that exceed the IFoA's risk appetite, they are recorded as 'risk events' and lessons learned are monitored and recorded. Where risks are outside of appetite, actions are required, within appropriate timelines, to bring them within the requisite appetite. Appetites themselves are formally reviewed yearly as the needs of the IFoA and the environment it operates in change.

The Audit and Risk Committee provides independent assurance to the IFoA Board on the operation of the Risk Management process. In doing so it considers the adequacy of the overall risk management policies and processes in place and assures itself that they are relevant and appropriate to the needs of the organisation. The Audit and Risk Committee also reviews and provides challenge on the Operational and Strategic Risk Profiles for the IFoA, the activities undertaken to mitigate strategic risks, and the outcomes of the Risk Management activities. In consultation with Council, the IFoA Board sets an appropriate level of risk appetite going forward in 2025 – that is the acceptable limit of risk that the IFoA Board and Executive adopt in their Risk Management activities.

In this way Council endorses and delegates the specific Risk Management policies and processes adopted by the IFoA Board and the Executive in all Risk Management activities, helping to ensure that full account is taken of reasonably foreseeable risks and opportunities in strategic and corporate planning.

Under the IFoA's governance reforms that came into effect on 1 April 2024, the IFoA Board is responsible for determining the IFoA's overall risk appetite, subject to consultation with Council. The IFoA Board is also responsible for agreeing the IFoA's Risk Management Framework, in line with the overall risk appetite, subject to consultation with the Audit and Risk Committee. The Audit and Risk Committee is responsible for keeping the framework and process under review, and the Chief Executive is responsible for conducting regular operational reviews subject to oversight responsibility by the IFoA Board.

Schematic approach to risk governance



The IFoA Board

The IFoA has an Enterprise-wide Risk Management Framework which is managed with engagement from members and internally under the stewardship of the Head of Risk.

The IFoA Board has oversight and ownership of the operational and plan delivery risks through the framework. Each major threat is examined and analysed within the framework so that the effectiveness of controls can be determined. The Enterprise-wide Risk Management Framework remains under continual review to ensure it presents a robust, proportionate and effective risk management process which aligns with good practice.

Action on the risks owned by the IFoA Board relates to the identification and treatment of major threats from whatever cause (internal or external). Each risk is also considered in

the context of reasonably foreseeable scenarios and the robustness of the organisation to withstand these. Any risks beyond appetite are constantly monitored and mitigation strategies agreed where appropriate with Council.

The IFoA Board regularly sees reports covering the overall risk profile and specific risk topics, such as data security and employee-related risks.

The IFoA Board directs specific activities to further identify risks and opportunities through regular membership and employee surveys, the results of which are cascaded appropriately.

The IFoA's Head of Risk attends the IFoA Board meetings and reports to the IFoA Board accordingly.

Audit and Risk Committee

The Audit and Risk Committee regularly receives reports providing assurance over the overall risk profile and risks in relation to the IFoA's operational and strategic objectives and the effectiveness of the relevant systems of risk management. The Committee actively reviews enhancements to the Enterprise-wide Risk Management Framework to provide independent assurance that a robust and effective process is followed which aligns with good practice. The Committee has authority to commission 'deep dive' reviews on a themed

basis across all areas of the IFoA's business, in order to establish and monitor how risks are identified and managed across the organisation.

The IFoA's Head of Risk attends the Committee's meetings and reports to the Committee accordingly, with an independent reporting line to the Chair.

Executive Leadership Team

The Executive Leadership Team regularly hold dedicated Executive Risk Committee meetings to consider and discuss risk matters in order to fulfil their remit for protecting IFoA assets, ensuring financial and reputational stability, and reflecting their commitments to the public interest and its obligations under the Royal Charter.

The Committee drives a culture of effective risk management and risk-taking across the organisation through upholding the IFoA's Risk Management Policy and Framework, contributing

to and maintaining records of both current and emerging risks (strategic, operational, financial, regulatory, reputational and membership), identifying and applying mitigations as authorised, supporting and complying with the risk appetites approved by the IFoA Board, and acting as exemplars in risk oversight, risk-taking, risk culture and risk reporting.

The Head of Risk attends the Committee's meetings, providing updates and encouraging consideration and collaborative discussion of risk matters.

Opportunities and risks

We analyse and act upon the views of our employees and volunteers. This is integral to how we understand the culture of our organisation, and how that culture helps inform our management of risk and the opportunities that might be available to improve what we offer to our members.

There are numerous opportunities available to us. We seek to ensure that, in developing these, we take only appropriate and well-managed risks.

Control functions

The IFoA Board and Audit and Risk Committee have oversight responsibility for the systems of internal control and their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. They can, therefore, only provide reasonable, and not absolute, assurance against material misstatement or loss.

Key elements in the system of internal control during the last financial year were:

Delegation

There is a published scheme of delegations in place. There is a clear organisational structure, detailing lines of authority and control responsibilities. There are defined revenue and capital spend authorisation limits in place.

Budgets

Detailed annual budgets were prepared by the Executive and approved by the IFoA Board. Actual results are compared to approved budgets on a periodic basis and reported to the IFoA Board. Revised annual forecasts are also prepared and reported quarterly.

Policies and Procedures

Appropriate and up-to-date policies and processes for the IFoA's employees, members, and/or key stakeholders, are maintained and subject to periodic review by the relevant owner(s). Understanding of and compliance with these policies and processes is underpinned by training, produced and/or delivered by suitably qualified persons, including specialist external providers where appropriate.

Competence

Executive skills are maintained and reviewed by both a formal recruitment process and a performance development system coupled with a yearly IFoA Board update provided by the CEO on talent and retention considerations. Together, they provide regular opportunities for feedback on performance and identification of training and development needs.

Gift register

A register of gifts and hospitality is maintained, listing all offers of gifts or hospitality offered to volunteers or members of the Executive by commercial entities and noting if the gifts were accepted or declined in line with the Gift policy.

Review

The IFoA Board and the Audit and Risk Committee review the effectiveness of the IFoA's system of internal control in operation during the financial year.

In addition, the IFoA's external and internal auditors provide assurances on the effectiveness of internal controls.



We analyse and act upon the views of our employees and volunteers.

Attendance lists

From 1 March 2024 until 28 February 2025.

Council

Kalpana Shah	President until 24 July 2024. Immediate Past President from 24 July 2024	10/10	Patrick Kelliher*	Resigned 30 March 2024	3/3
			Yan Liu*		10/10
Matt Saker	Immediate Past President until 24 July 2024., retired on 24 July 2024	6/6	Hannah Long	Retired 24 July 2024	5/6
			Catherine Lyn	Elected 24 July 2024	4/4
Kartina Tahir Thomson	President-elect until 24 July 2024. President from 24 July 2024	10/10	Hugh McNeill	Elected 24 July 2024	3/4
			Janet Moss		10/10
Paul Sweeting	President elect from 24 July 2024	4/4	Mukami Njeru		10/10
			Matthew Pearlman		8/10
Nico Aspinall		8/10	Melanie Puri*		6/10
Oliver Bettis		9/10	Alan Rae*		10/10
Cherry Chan		10/10	Hilary Salt		10/10
Kudzai Chigiji	Resigned 20 June 2024. Recused from 1 meeting	4/5	David Shaffer	Elected 24 July 2024	4/4
Charles Cowling	Retired 24 July 2024	6/6	Hitesh Shah	Resigned 20 June 2024. Recused from 1 meeting	5/5
Akshay Dhand	Elected 24 July 2024	4/4	Sunil Sharma	Retired 24 July 2024	5/6
Matthew Edwards	Elected 6 September 2023	9/10	Malcolm Slee	Re-elected 24 July 2024	9/10
Colm Fitzgerald	Elected 24 July 2024	2/4	Katie Sokolowski		9/10
Matthew Ford	Elected 24 July 2024	1/4	Peter Tompkins	Recused from 1 meeting	9/9
Richard Galbraith	Recused from one meeting	8/9	Sandy Trust*		6/10
Dan Georgescu	Resigned June 2024	5/5	Mark Williams	Re-elected 24 July 2024	7/10
Riekie Gordon	elected 24 July 2024	3/4	Cynthia Yuan		6/10
Dermot Grenham*	Elected 24 July 2024	3/4	Masimba Zata	Re-elected 24 July 2024	8/10
Simon Jones*	Elected 6 September 2023	8/10			

* Member of the Scottish constituency. (Otherwise, member of the General constituency)

Management Board

Grahame Stott	Chair	1/1	Hilary Salt	Council member	1/1
Kalpana Shah	Council President	1/1	Hitesh Shah	Council member	1/1
Kartina Tahir Thomson	Council President-elect	1/1	Trevor Spires	Independent Non-Executive Member	1/1
Patrick Kelliher	Council member	1/1	Ben Kemp	Interim Chief Executive	1/1

IFoA Board

David Currie	Chair	12/12	Andrew Rear	Member Non-Executive Director	9/10
Kalpana Shah	President	2/2	Hitesh Shah	Member Non-Executive Director)	10/10
Kartina Tahir Thomson	President	10/10			
Ben Kemp	Interim Chief Executive	9/9	Tony O'Riordan	Member Non-Executive Director	10/10
Paul Lewis	Chief Executive Officer	3/3	Sheila Kumar	Independent Non-Executive Director	9/10
Patrick Kelliher	Member Non-Executive Director	2/2	Aaron Porter	Independent Non-Executive Director	10/10
Kudzai Chigiji	Member Non-Executive Director	10/10			

Audit and Risk Committee

Trevor Spires	Lay Chair	1/1	Kudzai Chigiji	IFoA Board member	5/5
Richard Galbraith	Council member	1/1	Aaron Porter	IFoA Board member	5/5
Matthew Pearlman	Council member	0/1	Dónall Curtin	Lay member	2/3
Tony O'Riordan	Chair	5/5			

Nominations Committee / Council Appointments Committee

Matt Saker	Immediate Past President until 24 July 2024	2/2	Nico Aspinall		6/7
Kalpana Shah	President until 24 July 2024. Immediate Past President from 24 July 2024	7/7	Cherry Chan		7/7
			Charles Cowling	Council member representative until 24 July 2024	2/2
Kartina Tahir Thomson	President-elect until 24 July 2024. President from 24 July 2024	5/7	Dermot Grenham	Council representative from 5 September 2024	3/4
Paul Sweeting	President Elect from 24 July 2024	5/5			

Remuneration and People Committee

Catherine Hearn	Chair	3/3	Grahame Stott	Chair of Management Board	1/1
Sheila Kumar	Chair	2/2	David Currie	Chair of IFoA Board	4/4
Kalpana Shah	President	2/2	Barry Hoffman	Lay member	5/5
Kartina Tahir Thomson	President	2/3			

Regulatory Board

Neil Buckley	Chair	5/5	Nicola Williams	Disciplinary Committee Chair and Lay member	5/6
David Broadbent	Practitioner member	7/8	Oliver Bettis	IFoA Council member	7/8
David Innes	Practitioner member	8/8	Simon Martin	Practitioner member	7/8
Edwin Sheaf	Practitioner member	8/8	Sue Lewis	Lay member	7/8
Helen Brown	Lay member	8/8	Emma Gilpin	Executive member	7/8
Mike Smedley	Practitioner member	8/8			
Mitesh Soni	Lay member	7/7			

Accounts

Consolidated statement of income for the year ended 28 February 2025

	2025		2024	
	Group £000	IFoA £000	Group £000	IFoA £000
Revenue				
Subscriptions and other operating income	18,775	17,081	17,217	15,652
Pre-qualification learning and development	20,602	13,665	20,511	12,496
Post-qualification learning and development	2,441	2,441	2,364	2,364
	40,092	30,512	40,092	30,512
Expenditure				
Employment costs	(14,168)	(13,687)	(13,292)	(12,847)
Other operating charges	(26,085)	(17,904)	(26,997)	(17,617)
	(40,253)	(31,591)	(40,289)	(30,464)
Operating Profit / Deficit	1,568	1,569	(197)	48
Finance and other income	578	536	508	471
Lease Liability Interest	(57)	(57)	(44)	(44)
Profit on disposal of financial assets	58	58	709	709
Dilapidations	(70)	(70)	-	-
Share of losses of Joint Venture	(35)	(35)	(78)	(78)
Profit before tax	2,039	2,028	898	1,106
Taxation	102	104	(359)	(382)
Profit for the year	2,141	2,132	539	724

Statement of Comprehensive Income for the year ended 28 February 2025

	2025		2024	
	Group £000	IFoA £000	Group £000	IFoA £000
Profit for the year	2,141	2,132	539	724
Other Comprehensive Income				
Unrealised gain on revaluation of investments	367	367	-	-
Movement in Endowment Fund	(17)	(17)	(20)	(20)
Movement in Deferred Tax for the year	-	-	268	268
Unrealised loss on Historic Books revaluation	(71)	(71)	-	-
Other comprehensive (expenditure) for the year net of tax	279	279	248	248
Total comprehensive income for the year	2,420	2,411	787	972

Consolidated Statement of Financial Position for the year ended 28 February 2025

	2025		2024	
	Group £000	IFoA £000	Group £000	IFoA £000
Non-current assets				
Lease Asset	749	749	967	967
Intangible assets	1,000	1,000	838	838
Available for sale financial assets	11,608	11,608	10,994	10,994
Historical assets	1,324	1,324	1,385	1,385
	14,681	14,681	14,184	14,184
Current assets				
Inventories	1	1	1	1
Trade and other receivables	4,517	2,093	7,814	6,343
Short Term Notice (>3months)	3,007	2,527	2,893	2,364
Cash and cash equivalents	16,385	15,321	11,308	10,306
	38,591	19,942	22,016	19,014
Total assets	38,591	34,623	36,200	33,198
Current liabilities				
Trade and other payables	(3,148)	(1,594)	(3,265)	(2,114)
Investment in associate	(182)	(182)	(147)	(147)
Contract Liabilities	(16,468)	(14,667)	(16,153)	(14,891)
Lease Liability	(175)	(175)	(181)	(181)
Corporation tax	(242)	(240)	(359)	(382)
	(20,215)	(16,868)	(20,105)	(17,715)
Non-current liabilities				
Lease Liability	(665)	(665)	(874)	(874)
Dilapidations	-	-	-	-
	(735)	(735)	(874)	(874)
Total liabilities	(20,950)	(17,603)	(20,979)	(18,589)
Net assets	17,641	17,020	15,221	14,609
Reserves				
Called up share capital				
General fund	16,781	16,160	14,657	14,045
Investment revaluation reserve	860	860	564	564
	17,641	17,020	15,221	14,609



Finance and governance report | 2024–2025

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