



THE INSTITUTE
OF CHARTERED
ACCOUNTANTS
IN ENGLAND AND WALES

LEADING THE PROFESSION IN CHALLENGING TIMES

ANNUAL REVIEW 2008



INTRODUCTION

from the president and chief executive

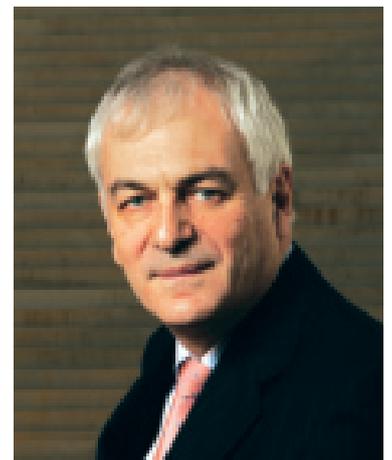
The global economic volatility of the last year has been significant. It has not been without precedent.

128 years ago, in response to similar uncertainty across fledgling capital markets, a group of committed finance professionals came together to found the Institute. They did so out of a conviction that recognised standards of professional conduct would create trust and stability and that collectively, chartered accountants had a role to play in restoring economic confidence.

The complexity and global reach of our current financial system bears little resemblance to that which our founders would have recognised. Nonetheless there are some obvious parallels. Then and now we have seen a loss of confidence caused by overstretch in the economy. Then and now there has been confusion about the degree to which individuals and companies are exposed. Then and now the profession has been called upon to provide leadership in the face of uncertainty.

When we started framing our 10-year strategy in 2007 we had little sense of how recent events would unfold. In a matter of months some of our best-known financial institutions have been swept away, amalgamated or nationalised. The property bubble has burst. Governments across the world have been forced to underwrite the banking sector at a cost of many billions. Orthodoxies that governed economic behaviour over the last decade have been thrown into question. The real economy now faces a global downturn of indeterminate length. We are still only part-way through an economic cycle that will bring further change.

One thing is clear. What is happening right now on the global stage will tangibly impact on what the Institute and the profession is trying to achieve locally – making it imperative we are at the table at all levels.



David Furst, President



Michael Izza, Chief Executive

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Our profession has been called upon to provide leadership in the face of uncertainty.

As an Institute we are responding on three fronts:

- by providing direction and support to our members who in turn are playing a central role in helping organisations of all sizes and sectors deal with the uncertainty they face;
- by working with governments, regulators and wider market participants to help identify ways in which economic confidence can be restored;
- by focusing on the importance of sustainable business and our corporate responsibility commitments – those organisations which recognise the central importance of sustainability will come through the current economic turbulence stronger and better able to deal with the challenges we all now face.

Against this challenging economic backdrop we have also made significant progress with our 10-year strategy.

We are an organisation seeking to exert global influence on behalf of an increasingly global profession. Inevitably this brings with it challenge – more so now. We have had to balance ambition with resource.

Nonetheless 2008 has been a year of real achievement; a year in which we have sought not just to provide leadership in the face of economic uncertainty but to be alive to the opportunities change on this scale brings.

Over the next few pages you can read about the progress we have made on your behalf.

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THE STORY SO FAR...

WHAT WE STAND FOR

The role of chartered accountants across the world economy has never been more important. People and organisations facing economic adversity need to be able to rely on knowledge and guidance based on the highest technical and ethical standards. Our members provide this better than anyone – individually and collectively they are helping to guide the entities they advise and run through the current, challenging economic cycle.

We create the environment in which those skills are constantly developed, recognised and valued. As an organisation we provide leadership, professional development and support to our members and work with governments, politicians, regulators and industry in order to ensure the highest standards are maintained.

WHERE WE ARE HEADING

We have a clear vision – to inspire business confidence in the UK and internationally. Our mission is to deliver on our Charter obligations. Our strategy is to focus on premium positioning for reputation and influence, qualifications and services and member support – delivered through partnerships and international growth. Building on our leadership position in the UK we are focused on becoming a body capable of representing and supporting an increasingly global profession.

OUR 2008 GOALS

In 2008 we prepared the ground for our 10-year plan with tangible steps into new markets; outreach work with our major stakeholders; extensive member engagement; and a rigorous approach to commercial activity.

We also made significant headway with 10 specific objectives intended to put our long-term ambitions into operation – these included implementing our partnership strategy; developing a world-leading accounting related website; improving member support infrastructures; delivering thought leadership initiatives; and achieving income growth across the organisation.

We stood up for what we believed to be right – such as the principle of independent standard setting – and advocated change where we felt change to be necessary – such as the need for greater simplification of the tax system.

Most importantly 2008 was the year we gave momentum to our 10-year plan.

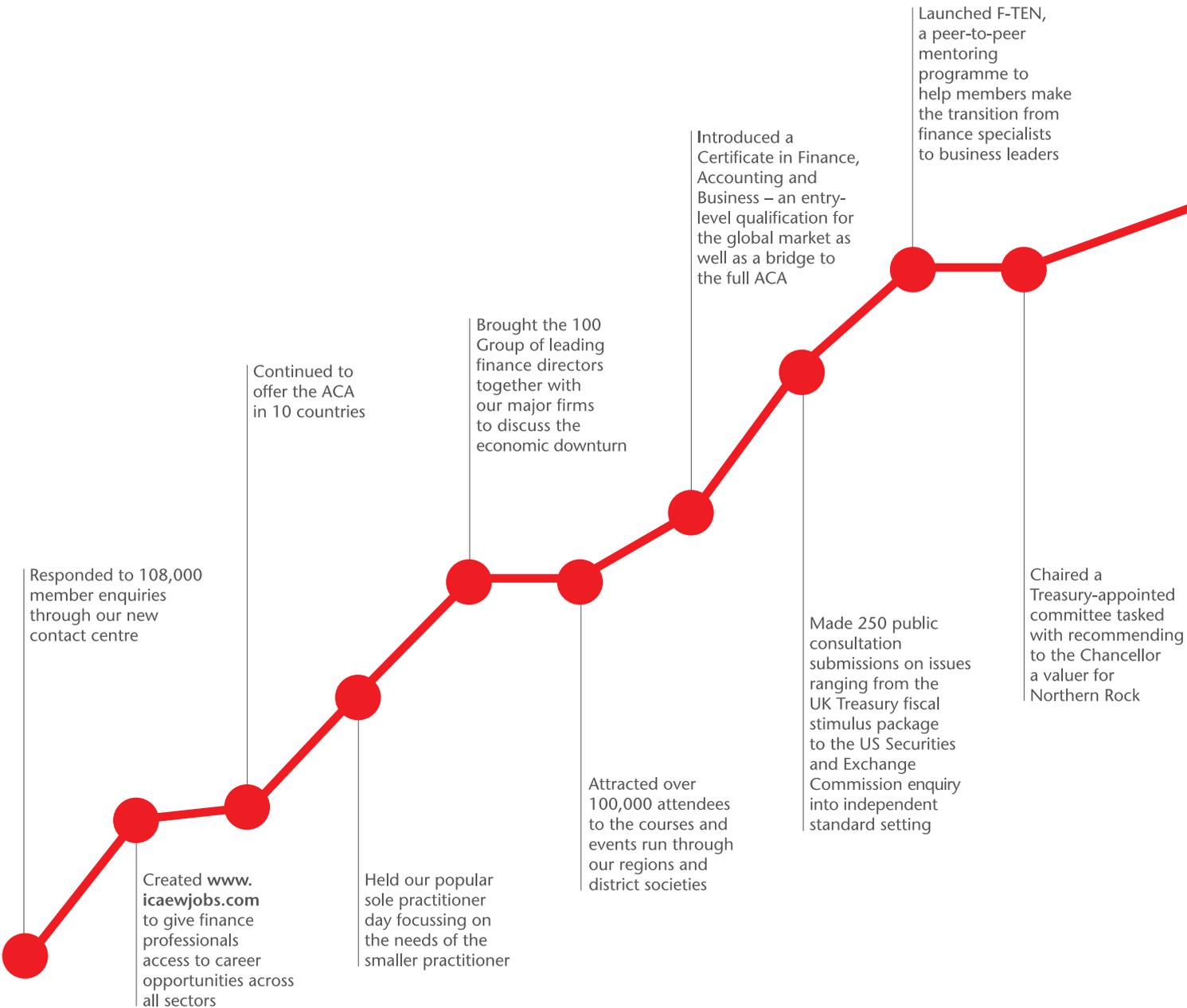
“ We have a clear vision – to inspire business confidence in the UK and internationally. ”

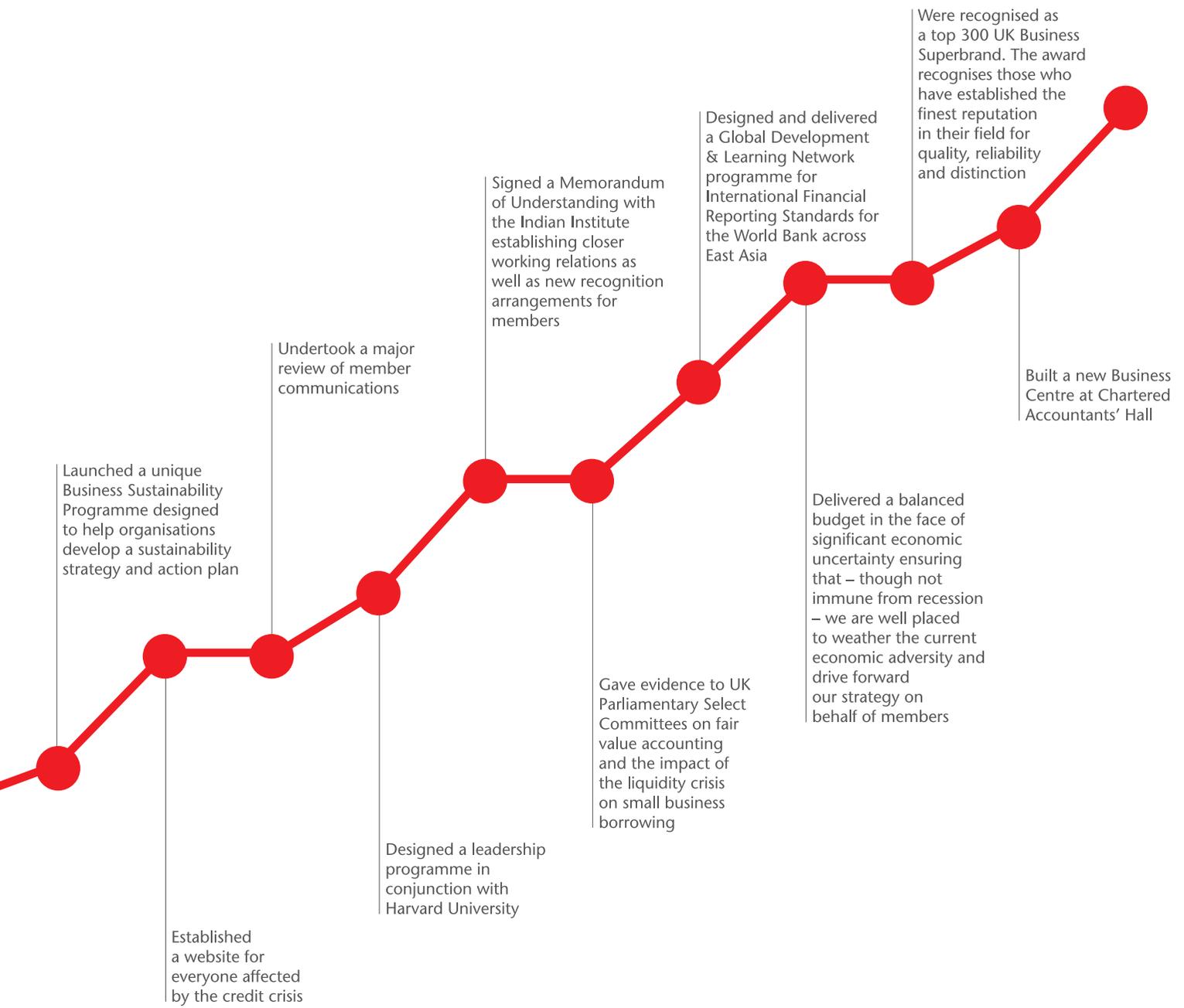
OUR OBJECTIVES

- 1 Drive cultural change within the Institute
- 2 Implement a partnership strategy
- 3 Develop a world-leading accounting related website
- 4 Improve member support infrastructures
- 5 Develop brand awareness
- 6 Deliver thought leadership initiatives
- 7 Assess our categories of membership
- 8 Achieve growth in income across the organisation
- 9 Deliver public interest projects
- 10 Review the way we communicate with members



DID YOU KNOW IN 2008 WE...?





AN INTERNATIONAL INSTITUTE FOR AN INTERNATIONAL PROFESSION...



Our international activity is at the heart of our strategy for good reason. The regulatory and public policy agendas that will impact on the UK profession at all levels are now being determined globally. In the current climate what comes out of Washington is as likely to impact on our members as what comes out of Brussels or Westminster. Moreover our ability to grow as a body while maintaining our premium position depends on our ability to set our sights beyond our core training market in the UK to the needs of our major training organisations operating internationally.

In 2008 we took a number of tangible steps to grow our presence on the international stage in response to the increasingly global challenges facing the profession.

During the year, 35 Bangladeshi finance professionals came to the UK to undertake a period of extensive financial training. On completion of their course they came to the Institute to receive certificates in International Financial Reporting. The ceremony was the culmination of a three-month secondment and an important milestone in the drive to adopt common reporting standards across the Bangladesh economy.

During 2008 Ernst & Young began a process of consolidating their European network of firms into a single group. The Institute helped in this process and also registered the 'holding company' of the enlarged firm. We had worked in a similar way with KPMG in 2007 as it started its own consolidation process.

In 2008, for the first time we had ACA exam prize winners from Russia.

In January 2008 we were the only professional body to participate in the World Economic Forum at Davos.

In May 2008 we held a round table jointly with FEE to address the future evolution of international structures within the profession.

In 2008 a group of 13 Chinese students came to the UK on Institute-placed secondments as part of their ACA training programme.



“ Our international strategy is about marrying Institute expertise with local-market need in commercially viable ways, supported by strong partnerships on the ground. ”

In 2008 we also started training in Romania; signed an historic mutual recognition agreement with the Indian Institute of Chartered Accountants; played a leading role in the Global Accounting Alliance; exceeded our expectations in China and Cyprus; agreed an international regional office strategy which will see the first of these open in Singapore in May 2009; established training links in Dubai in March 2008; recruited staff on the ground in our offices in Malaysia and China; and participated in conferences and events promoting the strength of the profession in countries such as China and the US.

Over the course of the next 10 years we intend to roll out further international offices in key regions. This will give us the infrastructure we need to represent and support our members across the major capital markets as well as emerging economies.

This process is about marrying Institute expertise with local-market need in commercially viable ways, supported by strong partnerships with organisations on the ground.

REPUTATION, INFLUENCE AND THE PUBLIC INTEREST

LEADING THE DEBATE

Our leadership is built on our ability to shape and influence thinking on industry issues on behalf of our members and in the public interest. We have a long track record in this area, and have been instrumental in developing many of the frameworks, standards and governance codes that are now used by finance professionals across the world.

We act as a bridge between different communities so that we can develop the thinking that will shape the long-term future direction of the accountancy profession. We work with policy-makers to identify practical solutions to current market challenges.

In August we were a leading participant in the American Accounting Association Annual Meeting in Anaheim where we participated in debates on stakeholder perceptions of audit, integrity and the role of the profession; the changing face of the finance function; and intangibles. Closer to home we helped shape the 2008 Finance Bill; many of the committee-stage changes were influenced by our input.

In 2008 we undertook 11 major research projects intended to help shape thinking on industry issues. These included *Market Foundations*, which examined the mechanisms that promote accepted standards of behaviour as well as trust among market participants. Our Business Sustainability Programme aimed to raise awareness of the business case for corporate responsibility through a series of e-learning modules. *Measuring IT Returns* explored information flow within companies and challenged conventional assumptions about IT expenditure and *New Challenges* examined the relationship between effective corporate governance and sustainable shareholder return.

In all these cases – and indeed in much of what we do – the expertise we are able to bring to the table is drawn from the breadth and depth of our membership who provide the Institute with unique insight and strength.

BRINGING PRACTICAL SOLUTIONS TO THE TABLE

As part of the ongoing debate around competition and choice within the audit market the Financial Reporting Council (FRC) asked us to convene a working group to examine the case for a governance framework for auditors of listed companies. The group consulted extensively during the year and will report in 2009. We also agreed a new cycle of work for the *Audit Quality Forum* which brings together market participants to discuss issues and challenges facing the listed audit market.

In response to the credit crisis we gave evidence to the Treasury and Business and Enterprise Select Committees on fair value accounting and liquidity issues facing small and medium sized companies. We engaged extensively with policy-makers at all three party conferences as well as through the parliamentary group we established. We also held a series of high-level policy platforms in the UK, Europe and South East Asia on issues ranging from going concern to the convergence of reporting and auditing standards.

We submitted evidence to the Securities and Exchange Commission on independent standard setting, engaged with the European Commission on greater public sector accountability and met with governments in China, India and Bangladesh to discuss industry issues and share best practice.

Our member-led research programmes continued to provide an important yardstick against which government and industry stakeholders were able to survey the broader economic landscape. Our quarterly *Business Confidence Monitor* provided accurate early warning of the extent of the economic challenge facing businesses, while our *Enterprise Survey* provided an international perspective on the likely impact of the credit crisis.

While much of the influencing work we undertake is done quietly behind the scenes, a mark of the quality of this work is that it is covered by the international media including *the Economist* and *the FT*, *the Wall Street Journal*, and the *South China Morning Post*, as well as the BBC where the Institute was a regular contributor over the course of the year.

“ Our member-led research programmes provide an important yardstick against which government and industry stakeholders are able to survey the broader economic landscape. ”





MAINTAINING THE HIGHEST STANDARDS

The reputation of the profession depends on rigorous professional conduct and regulation with independent oversight.

In 2008 we undertook a fundamental review of our regulatory activity to ensure that it remains fit for purpose. We also restructured our Quality Assurance Department to enable it to provide better frontline services and support to members and member firms.

While it is easy to view this regulatory activity as simple good housekeeping, its combined effect is to ensure that the profession is subject to rigorous independent scrutiny, that quality control issues are addressed early and that the public can have the utmost confidence in using the services of our members.

We also continued to work closely with the FRC and its various sub-boards during the course of year. As well as ongoing dialogue on issues arising from the credit crisis – including fair value accounting where the chief executives of both bodies shared a parliamentary committee platform with the IASB – we led discussions on behalf of the Consultative Committee of Accounting Bodies (CCAB) on revisions to the Accountancy and Actuarial Discipline Board.

Relationships with the FRC are based on frank and forthright dialogue and a recognition that we will not always agree. Nonetheless 2008 has been characterised by positive progress on a number of fronts and mutual respect between both organisations.

ENGAGING WITH OUR POLITICAL STAKEHOLDERS

In 2008 we continued to maintain a high profile with political audiences in the UK and Europe. This was part of our ongoing public affairs activity which has focused on bringing workable policy solutions to the table.

We worked in partnership with the Treasury to ensure fiscal proposals were simple, targeted, proportionate and transparent and we continued to put pressure on the Government to resource HMRC effectively.

We have always taken a non-partisan approach to our political engagement. In 2008 the Shadow Chancellor used the ICAEW as a platform to launch his tax reform proposals, while the incoming leader of the Liberal Democrats chose the Institute as one of his first major public platforms, using it to set out his vision for the City. In June the Leader of the Opposition joined us at the Eden Project to talk about the sustainability agenda.

In June the Treasury asked us to chair an independent committee tasked with making a recommendation to the Chancellor over the appointment of a valuer for Northern Rock.

The importance of our thought leadership, regulatory and political activity was independently benchmarked in 2008. Research undertaken to assess the extent to which our brand recognition had increased over the course of the year showed significant improvement on the majority of matrices.

We will continue to work hard on all these fronts on behalf of members and the public interest.

“ In 2008 we undertook a fundamental review of our regulatory activity to ensure that it remains fit for purpose. ”

DEVELOPING PRESENT AND FUTURE LEADERS

THE IMPORTANCE OF PROFESSIONAL DEVELOPMENT

Being a chartered accountant does not stop with the ACA. It involves a life-long commitment to developing the kinds of skills and experience needed to provide advice and support to individuals and organisations based on the highest technical and ethical standards.

Professional development therefore, is an integral part of what we provide as an Institute and helps ensure the long-term reputation and standing of our members.



A PORTFOLIO OF LEADING FINANCE QUALIFICATIONS

In 2008 we continued to offer the ACA in 10 countries across the world from Singapore to China, Romania to the Middle East.

Inevitably the economic downturn has put pressure on training budgets. Nevertheless during the course of the year 295 new organisations registered as training organisations and between 2007 and 2008 we enjoyed one of the highest growth rates of any of the CCAB bodies.

This sustained growth is partly due to the significant investment we have made in promoting the qualification to prospective students across university campuses both in the UK and internationally.

There has been new interest in our qualifications from the corporate sector. We have also made a concerted effort to export the qualification into new overseas markets.

As well as investing in the ACA we continued to develop and promote our wider portfolio of qualifications, providing sectoral and discipline-specific training and development to the finance profession worldwide. As part of this investment, in 2008 we launched our new International Financial Reporting Standards (IFRS) interactive learning product.

Over the course of the year, 128 students qualified for the Diploma in Corporate Finance, with 25 going on to qualify for the Advanced Diploma. Our Diploma in Charity Accounting proved popular, with 550 students qualifying in the year either through the taught or experience route. In addition, 192 new members were admitted in the year having qualified through our *Pathways* initiative and a further 153 finance professionals took advantage of our reciprocal membership arrangements.

In 2008 we also launched a new Certificate in Finance, Accounting and Business which takes for its content the first stage of the ACA and provides both an entry-level qualification and a stepping stone to the full ACA.

The Certificate in Finance, Accounting and Business (CFAB) provides a flexible route into the profession that does not compromise on the rigour and high standards of the ACA and we intend to use it to widen access to the profession in both developed and developing economies.

Unless fully retired, each one of our members has to certify annually that they have undertaken the continuous professional development necessary to stay abreast of what is required of them as chartered accountants.

As well as overseeing this process we provide faculties, special interest groups, regional and district society courses and events to enable members to keep up with industry and technical developments and facilitate peer-to-peer networking and support. For the first time this year we also piloted a number of online communities intended to help facilitate this process.

“ As well as investing in the ACA, we continued to develop and promote our wider portfolio of qualifications. ”



CONTINUING PROFESSIONAL DEVELOPMENT

In 2008 our specialist faculties - Audit and Assurance, Corporate Finance, Finance and Management, Financial Services, IT and Tax - provided representation and support to nearly 31,500 individual members as well as making a significant contribution to our thought leadership activity. We also launched a new faculty in Financial Reporting to reflect increased international interest in this discipline as reporting standards continue to converge.

Our special interest groups – Charity and Voluntary Sector, Entertainment and Media, Farming and Rural Business, Forensic, Healthcare, Interim Management, Non-Executive Directors, Public Sector, Solicitors, Tourism and Hospitality, and Valuation – also went from strength to strength over the course of the year attracting a 21.3% increase in new members.

Our regional teams, district societies and town groups ran courses and events up and down the UK as well as helping pilot our online communities initiative and it is a mark of the dedication and commitment of local staff and volunteers that these again attracted over 100,000 attendees during the year.

DEFINING WHAT IT MEANS TO BE A MEMBER

A key element of our strategy is to enhance our influence with other major players in accountancy, business and financial circles in the UK and worldwide. This is for the benefit of members individually and the Institute as a whole. One means of achieving this is by building long-term relationships with successful individuals who, while not being chartered accountants, have a similar 'DNA' to us, with a view to making them feel part of our Institute.

Our consultation to date has shown that the issue of membership is, understandably, a sensitive one for members.

Over the course of the year a working group led by our president, looked at this issue and presented its findings to council. The overall conclusion of the group was that full membership of the Institute should only encompass those with an ACA or FCA. However, a range of affiliate-type memberships would be needed as we continue to diversify the qualifications and support that we offer for those who hold one of our specialist qualifications or who have some other formal association with us, with automatic membership of a relevant faculty or special interest group.

THE IMPORTANCE OF STRATEGIC PARTNERSHIPS

While the Institute delivers much of its thought leadership and professional development in-house, a key component of our strategy are partnerships which have the potential to deliver economies of scale and expertise that we could not offer alone.

The relationships we have established to date with the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Public Finance and Accountancy are both now established on a formal basis and have opened up opportunities which we intend to capitalise on.

Our commercial partnership with CCH also continues to provide us with a valuable revenue stream as well as the commercial expertise to deliver many activities we would not otherwise be able to provide. We have many other successful relationships which we continue to nurture and will be looking in 2009 to develop the partnership concept further.

In 2008 we also introduced a premium relationship programme to enable us to engage more effectively with our key stakeholder organisations. This activity is work in progress but already it has started to pay dividends.

“ Partnerships have the potential to deliver economies of scale and expertise that the ICAEW could not offer alone. ”



A CULTURE OF SUPPORT

SUPPORTING MEMBERS

The support we provide to members during their working lives is part of what defines us as a professional body. As we increase our international reach we want to be able to offer the same level of service to all our members – whether in Bolton or Beijing. This means being disciplined about how we focus resources.

In 2008 we took a number of important steps to improve our long-term support infrastructure.

We launched a new Advisory Services Team to provide a more efficient system for everything from ethical guidance to technical support. This new team has 25 professionally-qualified staff on hand to provide free advice to members. These staff also act as an advanced warning system for the Institute in terms of the issues members are facing.

In December we opened a new Business Centre for members in Chartered Accountants' Hall. This major infrastructure project – which required extensive re-modelling of the ground floor of our headquarters – now provides members with a modern space that houses not only our world-class library, but a full range of business facilities including WiFi, internet, private meeting rooms, quiet work and study spaces and a lounge – all in the heart of the City.

In the autumn we launched www.icaewjobs.com an Institute-sponsored recruitment portal which carries a wide range of high quality career opportunities each month, and has already generated over 100,000 visitors to the site.

In October we established F-TEN, a tailored mentoring programme for ACAs being fast tracked by their employers. The programme – which has attracted extremely high calibre recruits – involves one-on-one coaching as well as regular contact with leading members who share their insight and expertise with those on the way up.

In 2008 a fundamental review of our website led to a more user-friendly redesign. The new site, launched in August, provides a better access point to our world-leading content and is now a focal point for member engagement as well as a window into the organisation for the wider world. We also invested in increasing the professional expertise on our web team, enabling us to continue developing the portal in line with best practice.

The dedication and commitment of staff is critical to our success and we have spent time and energy in 2008 fostering the culture needed to get teams individually and collectively focused on the challenges of a demanding 10-year plan.

In March we completed the move to Metropolitan House, our new headquarters in Milton Keynes. The new office provides a more efficient use of space for our Professional Standards, Regional, Finance, Member Services and Learning & Professional Development teams which are now located under the same roof.

“ In 2008 we took a number of important steps to improve our long-term support infrastructure. ”



THE IMPORTANCE OF MEMBER SUPPORT

Part of the reason we are able to provide effective member support is the support we get in turn from members. Our governing council provides an important sounding board for the work that we undertake and acts as the final approval mechanism for our strategy.

We benefit from the insight of our advisory boards which bring immense sector-specific expertise to the Institute and whose insight helps us refine both our strategy and delivery. Our district societies and town groups, student and younger member forums provide the Institute with direction and focus as do the increasing number of active chartered accountants working overseas. This shows yet again that as an organisation our great strength is our membership.

GETTING MEMBER COMMUNICATION RIGHT

In 2008 we undertook an independent audit of our member communications overseen by a staff and volunteer working party chaired by the deputy-president. Over 9,000 members (7% of the membership) participated in a range of methods including an online survey, telephone interviews or consultations via the Advisory Boards in order to build up a qualitative picture of where we stood.

The results were positive with 60% of members agreeing that we communicated well or very well. However, there were a number of areas where we need to make incremental improvements and the research gives us a platform on which to build.

We also commissioned a readership survey of *Accountancy* magazine. It has now been two years since we started providing *Accountancy* as part of the core subscription and we wanted to understand what was working and what needed improvement. This research project concluded in January 2009 and the results, which demonstrated strong member support for the publication, are now being used to improve the way we deliver the magazine each month in conjunction with our commercial partner, CCH.

OUR CORPORATE RESPONSIBILITY COMMITMENT

OUR CR STRATEGY

We are committed to meeting our responsibilities in support of a sustainable world, both by maximising the benefits and minimising the downsides of the impacts of our activities and by the way in which we meet our public interest obligations.

There are four main ways in which we will implement this:

- being a leader in managing CR by developing competencies, systems and targets to ensure we meet and exceed good practice business regulation;
- working towards sustainability by improving our environmental performance and minimising the adverse impact we have on natural resources;
- encouraging community links for and by our members and our staff;
- promoting partnerships that bring added value to our members through commercial and non-commercial activities.

PUBLIC POLICY AND THOUGHT LEADERSHIP

We have been active leaders since we published our first CR report in 2004: *Sustainability and the role of accountants*. We are members of the Accounting for Sustainability Forum which is taking forward the work of HRH the Prince of Wales's *Accounting for Sustainability* project. We were involved again this year in the December conference at St James's Palace.

In February 2008 we held a conference in Nottingham: *The Business of Climate Change: creating a low carbon Britain*. We have also held a series of breakfast roundtables on *CR and the modern business leader*, and have published a report on these discussions.

In June 2008 Michael Izza spoke at a major conference we held at the Eden Project with our partners, the South West Regional Development Agency and Business in the Community, debating how the business model must change to meet our goal of a sustainable planet.

This year we sponsored the Corporate Responsibility Award in the National Business Awards.

PROFESSIONAL DEVELOPMENT AND MEMBERSHIP

In November we launched our e-learning Business Sustainability Programme which aims to raise awareness of the business case for corporate responsibility and the issues which companies face in becoming sustainable. This programme is designed to be relevant to users with different levels of knowledge and experience. KPMG helped us to develop this programme.

OUR ENVIRONMENTAL RESPONSIBILITY

We are constantly reviewing our environmental impact and making changes to our operations to reduce this.

In June 2008 in conjunction with our mailing house we switched to an oxo-degradable polywrap which breaks down leaving only small amounts of CO₂, H₂O and biomass, with little or no methane production.

All our printers are ISO 14001 accredited. They use vegetable inks. All our waste paper, including guillotine trimmings, is recycled.

In 2008 we moved to electronic distribution of the annual review to those members for whom we had an email address. By doing this we were able to reduce the number of hard copies sent to members by over 100,000. Subject to changing our bye-laws at the 2009 Special Meeting we aim to increase our electronic communication with members.

We actively manage our utility consumption by monitoring plant usage and by adopting more energy efficient alternatives as replacements are made. An example is the replacement of three large boilers with eight small ones that provide greater flexibility. Comparative consumption is hard to quantify accurately year on year because of variable weather conditions affecting usage.

In 2008 we moved to new premises in Milton Keynes. All furniture and equipment not needed in the new offices was disposed of for re-use by UK charities, schools and community groups through Green Standards' *Waste to Wonder™* programme.



OUR SOCIAL RESPONSIBILITY

Through our long-standing charitable trusts and the ICAEW Foundation that was founded in 2007 we support a variety of academic activity ranging from research and event grants, prizes and bursaries and maintenance of the library and its rare books collection.

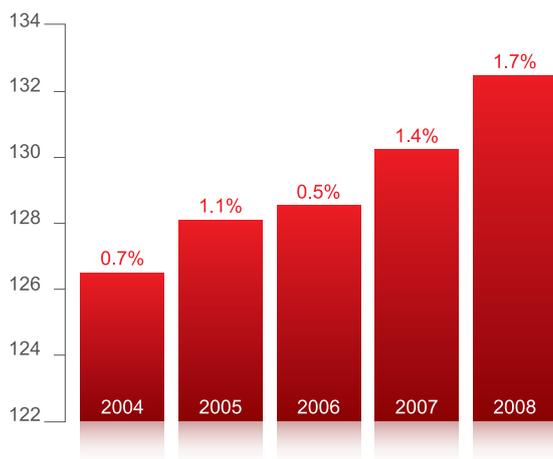
Our members help to deliver personal finance literacy projects in schools. In June 2008 we hosted an all-day event at Chartered Accountants' Hall for pupils from local schools and in November 2008 our float at the Lord Mayor's Show was devoted to this subject. We also make annual awards to those members who have made exceptional contributions to community work and charities.

A number of our staff are involved with Lauriston School, Hackney, helping with, among other things, literacy projects. In addition a number of staff hold positions as school governors and charity trustees. We do not seek to formalise these arrangements or monitor staff activity.

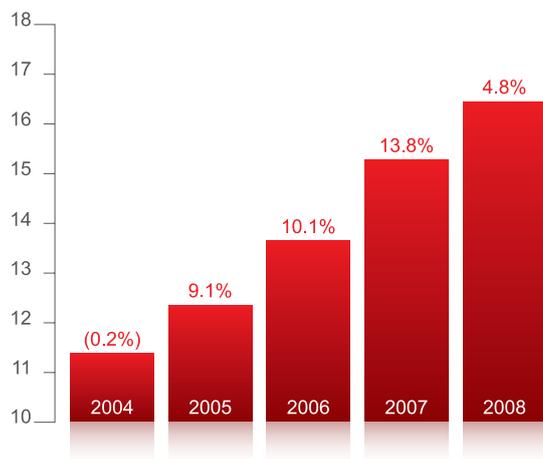
Each year our two offices nominate a local charity as a focus for fundraising initiatives. We stopped sending printed Christmas cards some years ago – we now send them via email – and instead make an annual charitable donation equivalent to the amount we have saved.

FINANCIAL REVIEW

MEMBERSHIP GROWTH ('000)



STUDENT GROWTH ('000)



RESULTS

The financial statements for 2008 include the four charitable trusts associated with the Institute, and the Institute's two new international subsidiaries, ICAEW China Limited and ICAEW Malaysia Limited. The commentary below relates primarily to the operating activities of the Institute.

Total income was up by 6.5% to £73,561k (2007: £69,052k) and the retained surplus after taxation for the year was £242k (2007: £1,639k deficit). The operating surplus, before funding of the Joint Disciplinary Scheme (JDS), was £356k (2007: £1,750k).

Net assets at 31 December 2008 were £28,788k (2007: £29,514k). Cash and cash equivalents ended the year at £8,670k (2007: £9,259k). When including restricted and non-restricted available for sale investments, the cash deposits and equity investments of the Institute total £34,743k (2007: £35,358k). The net decrease in cash and cash equivalents in 2008 was £589k (2007: £4,232k).

The consolidated outcome for the year, including the results of the Institute's charitable trusts, was a surplus after tax of £226k (2007: £1,909k deficit).

STUDENT AND MEMBERSHIP NUMBERS

2008 was the first full calendar year of the credit crisis which provided a particularly challenging environment for recruitment of students. Nevertheless, we achieved student intake of 5,104, an increase of 47 on the 2007 intake of 5,057. This contributed to a 4.8% increase in total students to 16,165 (2007: 15,422).

Our membership grew by 1.7% to 132,411. Student admissions to membership were up 15.0% to 2,827 (2007: 2,459), reflecting the increase in student numbers seen over recent years. New reciprocal arrangements with the Australian, South African and New Zealand institutes generated 153 new members. Other admissions from *Pathways*, Hong Kong and readmissions totalled 894 (2007: 1,314). Growth in membership was further helped by a decrease in the level of resignations and ceased memberships, which dropped to their lowest levels in 20 years at 1,070 (2007: 1,299).

INCOME

The main source of revenue is from members' fees and subscriptions, which made up 45.0% (2007: 45.8%) of total revenue. Fees and subscriptions rose by 4.8% to £33,136k (2007: £31,610k), including the effects of a 4.0% increase in the main subscription rate.

Income in areas outside of core fees and subscriptions grew by 8.0%.

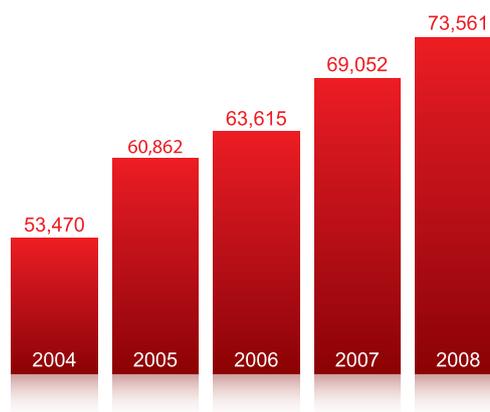
Income from practice regulation and faculties includes the first admission fees generated by the new affiliates from Ernst & Young's new European structure.

Income from subscription based services, sponsorship of Institute events and publications, commercial activities and consultancy work increased by 9.3% to £5,558k (2007: £5,086k). This included the first full financial year's income from the projects in Bangladesh, which are being carried out in partnership with the World Bank to promote best practice and raise standards with the accountancy profession in Bangladesh.

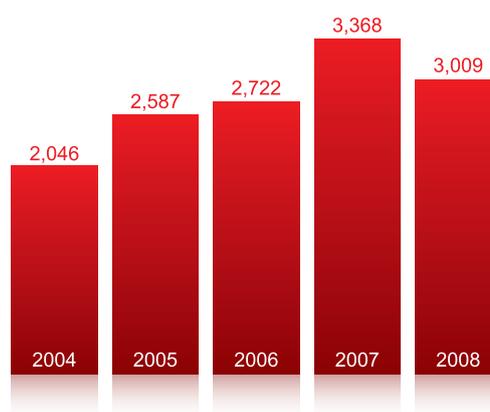
Income from students and other qualifications, including ACA, IFRS, Corporate Finance and the Diploma in Charity Accounting rose by 12.2% to £11,810k (2007: £10,522k). Investment income was affected by the steep reduction in Bank of England base rates in the last quarter of 2008, as well as the significant deterioration in the performance of equity markets throughout 2008, and declined by 10.7% to £3,009k (2007: £3,368k).

Income summary	2008 £000	2007 £000
Fees and subscriptions	33,136	31,610
Students and other qualifications	11,810	10,522
Practice regulation and faculties	17,653	16,593
Subscription based services and commercial income	5,558	5,086
Investments and equity portfolio	3,009	3,368
Licence fees from Wolters Kluwer	1,850	1,850
External bodies	545	23
	73,561	69,052

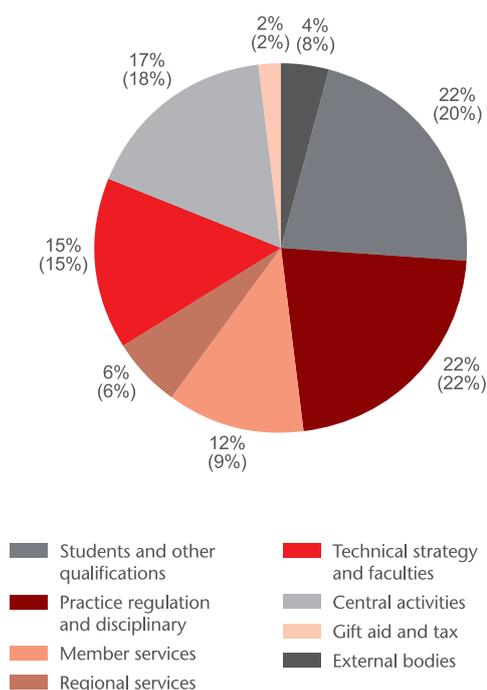
INCOME GROWTH (£'000)



INVESTMENT INCOME (£'000)



TOTAL EXPENDITURE 2008 % (2007 %)



EXPENDITURE

Total expenditure increased by 4.5% to £73,366k (2007: £70,204k). Increased student numbers, the continued development of new qualifications, and further international investment resulted in an increase in student and other qualification costs by 13.7% to £15,765k (2007: £13,866k).

Practice and disciplinary related costs increased by 8.3% to £17,092k which included the full year costs of the Bangladesh consultancy contracts.

2008 also saw the development of new products in the Institute's commercial portfolio, including the recruitment portal, development of the F-TEN executive network and online networks, in direct support of our strategy. These developments together with continued investment in our other commercial income streams saw costs increase by £680k. A number of reallocations of costs from other departments, such as the contact centre and web communications, into Member Services resulted in a 32.0% increase in reported costs of £2,055k to £8,484k.

International expenditure across the Institute increased by 47.6% to £3,153k (2007: £2,136k) reflecting our strategic priorities. Activities continued to focus in China (including Hong Kong), Malaysia and Pakistan, particularly on student training and conferences. This contributed to increased student intake with 9.9% of total students coming from overseas in 2008 compared to 7.7% in 2007. During 2008 we began preparation for the 2009 launch of the regional office in South East Asia, located in Singapore.

Expenditure on communications and marketing remained flat year on year, after taking account of changes to cost allocations in the year, with specific investment in the member communications project in 2008.

During the year the Institute received fines and cost recoveries of £508k and £1,105k respectively from the JDS relating to two cases concluded in 2008. The costs charged to the income and expenditure statement were £1,727k, giving a net JDS funding cost in the year of £114k. The JDS carries out independent investigations of the work and conduct of chartered accountants, both in public practice and elsewhere, where this has given rise to public concern.

	2008 £000	2007 £000
Net result (before JDS)	356	1,750
Funding of JDS	(114)	(3,389)
Net result after tax	242	(1,639)

TAX

Following a successful application to have elements of investment income reclassified as trading income, the net corporation tax credit for the year was £47k (2007: £487k tax charge).

PENSIONS

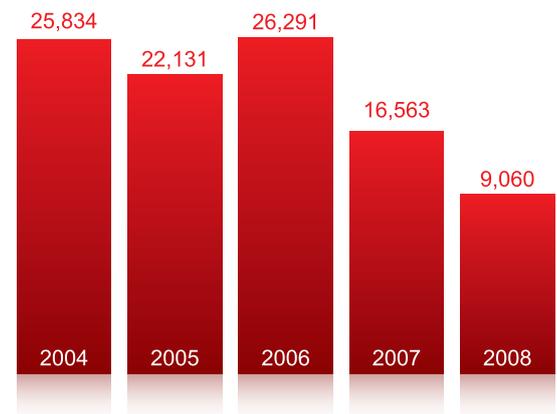
The Institute's defined benefits pension scheme was closed to new members in 2000. The whole scheme IAS 19 deficit at 31 December 2008 was £9,060k (2007: £16,563k). The value of the liabilities reduced to £99,788k (2007: £115,390k). Previously the Institute used the iBoxx over 15 year AA bond index to determine the discount rate, in line with IAS 19 guidance. However, the terms of the constituents of this index were considered to be somewhat shorter than appropriate for the scheme. With the gilt curve now downward sloping at the longer end, the use of the index yield was reviewed. Therefore, in consultation with the actuaries and the trustees a rate of 6.35% was used rather than the iBoxx rate of 6.70%. This also reflects the yields available on UK Government bonds (where longer maturity yields are available), adjusted for typical credit spreads between AA rated corporate bonds and similarly dated Government bonds.

Based on the full actuarial valuation at April 2007 of the Staff Pensions Fund (SPF), the Institute agreed with the trustee in early 2008 to provide further deficit funding. Payments were set at £125k per month, increasing in line with RPI, plus lump sum contributions of £2,000k in each of January 2008, 2009 and 2010. In line with this funding plan, the Institute contributed £3,545k (2007: £1,470k) of deficit funding during 2008, which helped to reduce the pension deficit.

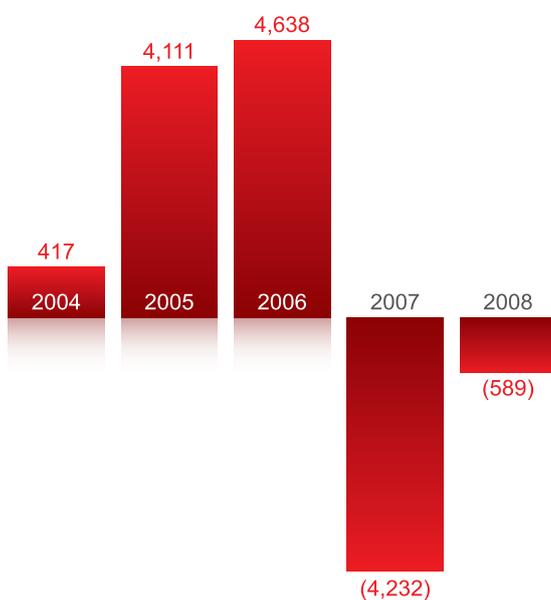
As part of the 2007 actuarial valuation, the trustee commissioned a review of the strength of the Institute's financial covenant. The resulting agreement set a number of trigger points in relation to the key financial ratios. These covenants are reviewed at each quarterly forecast, and in the Institute's annual operational plan. During 2007, the Institute agreed to ring-fence a sum of £5,000k, held as restricted available for sale investments, which the trustee of the scheme may call upon in the event that the Institute's financial position deteriorates materially as indicated by monitoring of the covenant triggers. The next triennial valuation of the scheme is in 2010.

The actuaries have provided a desktop update on the actuarial deficit, and at 31 December 2008 one of the tier one covenant triggers which measures the ratio of cash to the estimated actuarial deficit had moved to amber. Management met with the trustee in early March 2009 and it was agreed that no further action would be taken at this stage. There remains significant headroom before we hit a red trigger. For a red trigger to occur the pension deficit would have to be nearly twice the value of cash and available for sale investments. The balance of cash and available for sale investments at 31 December 2008 was £34.7m which would mean the actuarial pension deficit would have to be £57.8m. The desktop pension deficit was £40.6m, leaving £17.2m of headroom.

IAS 19 PENSION DEFICIT (£'000)



CASH FLOWS (£'000)



BALANCE SHEET AND CASH FLOW

The Institute's balance sheet remained strong with net assets of £28,788k (2007: £29,514k). The most significant movement on the balance sheet was the reduction in the Institute's share of the pension deficit to £8,604k (2007: £15,934k). During 2008 the market value of the Institute's investments, which comprise an equity portfolio and certificates of deposit, remained relatively stable at £26,073k.

Inventories were £814k (2007: £916k) reflecting the timing of sales of the ACA and other product learning materials around the year end. Trade and other receivables were £8,689k (2007: £8,628k). Trade and other payables were £24,009k (2007: £20,996k) highlighting the focused approach to working capital management followed by the Institute during 2008.

In December 2006, the council approved a proposal to enter a 15 year lease on new premises in Milton Keynes. This decision was implemented in March 2008 when staff moved into the new offices. As a result the freehold property, Gloucester House, Milton Keynes, was sold for £3,050k. Completion took place on 15 April 2008. The property had been revalued at £2,971k, its carrying amount at the date of reclassification, less costs of disposal, at 31 December 2007.

Net cash outflow was £589k (2007: £4,232k). The most significant items of expenditure were the fit-out costs of the new offices in Milton Keynes and the new Business Centre at Chartered Accountants' Hall in London. Total cash outflows on capital purchases was £7,694k (2007: £3,117k). The sale of Gloucester House contributed a cash inflow of £3,050k.

Funding of the JDS and Accountancy and Actuarial Discipline Board (AADB) schemes saw a cash outflow of £2,392k (2007: £4,823k). The reduction in this funding is as a result of the winding down of the JDS scheme. The Institute has provided £1,777k of costs relating to the JDS, which represents the expected future cost of the Institute's share of cases at 31 December 2008. Any potential future income from fines that may be received is uncertain as to timing and value, so cannot be included in the provision.

The Institute provided £3,545k (2007: £1,470k) of deficit funding to the SPF, in line with the agreement of January 2008.

The Institute generated a cash inflow from working capital of £4,211k (2007: £228k cash outflow) principally through tight control of trade payables, illustrated by the increase in creditor days to 22 (2007: 14). The cash profile of the Institute fluctuated throughout the year, peaking at £30,800k in February 2008 and bottoming out at £6,100k in November 2008.

CAPITAL EXPENDITURE AND PROPERTY ASSETS

Capital expenditure was £5,993k (2007: £3,372k), as a result of the fit-out of Metropolitan House, Milton Keynes, and the creation of the new Business Centre in Chartered Accountants' Hall, London. The total costs of these two projects were £3,600k and £1,850k respectively, being the largest capital expenditure projects the Institute has carried out in many years. Chartered Accountants' Hall was valued at £8,850k (2007: £11,700k). We expect to spend £2,700k in 2009 of which it is estimated that £500k will be spent on Chartered Accountants' Hall.

THE EFFECTS OF THE CREDIT CRISIS

The swift reduction in the Bank of England base rate in the last quarter of 2008 affected the level of investment income received. This will continue to impact investment income in 2009. In October 2008 the Institute increased the minimum required Standard & Poor's (S&P) long-term rating from A+ to AA- for the approved counterparties in which the Institute invests certificates of deposit. In December 2008, the continuing deterioration in credit markets led to the credit agencies downgrading the credit ratings of a number of the world's leading banks. Both the increase in the required S&P long-term rating and the downgrading of credit ratings of a number of banks has led to a reduced number of banks with which the Institute can invest certificates of deposit.

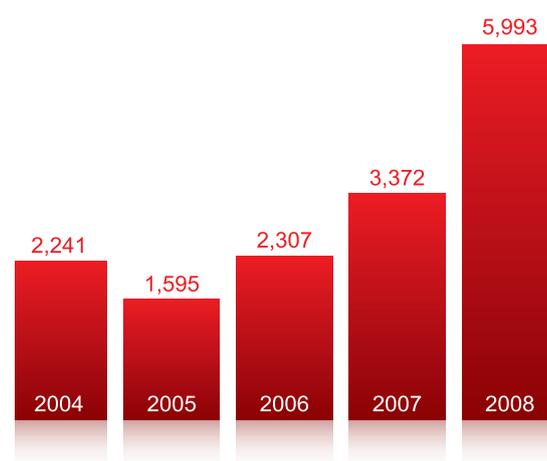
The principal risks and uncertainties facing the Institute as a result of the global credit crisis could affect:

- the Institute's commercial income streams;
- increased take-up of reduced subscription rates that the Institute offers for members;
- the numbers of students training in the larger member firms. This is likely to be mitigated by the Institute's move into international markets where there are still opportunities for growth in numbers of students training with the Institute.

The council does not currently see any reason to change significantly the direction of the strategy, as agreed in December 2007. However, the current economic conditions are very different to those we faced in 2007 and our strategy is something we will keep under review. The council believes that the significant financial resources of the Institute may also allow it to take advantage of any opportunities that arise as a result of the current economic climate, in terms of student growth and reputation-enhancing activities. The implications of the global financial crisis on the resources available to implement the Institute's strategy, both in speed and scale are continually monitored and reported to board and the council on a quarterly basis.

To see the full financial statements, visit www.icaew.com/review. Or to receive a copy, email fullaccounts@icaew.com or write to Daniel Quint, Finance Director at the address listed on the back cover of this review.

CAPITAL EXPENDITURE (£'000)



SUMMARY FINANCIAL STATEMENTS



SUMMARY GROUP INCOME STATEMENT

for the year ended 31 December 2008

	Income £'000	Expenditure £'000	2008 Net £'000	Income £'000	Expenditure £'000	2007 Net £'000
Subscriptions and other income						
Subscriptions and fees	33,136	–	33,136	31,610	–	31,610
Licence and data access fees	1,850	–	1,850	1,850	–	1,850
	34,986	–	34,986	33,460	–	33,460
Subscription based services						
Learning & professional development	11,810	(15,765)	(3,955)	10,522	(13,866)	(3,344)
Professional standards	2,222	(4,708)	(2,486)	1,033	(3,865)	(2,832)
Member services	3,425	(8,484)	(5,059)	3,154	(6,429)	(3,275)
Regional services	171	(4,683)	(4,512)	174	(4,344)	(4,170)
Technical strategy	30	(6,795)	(6,765)	447	(6,977)	(6,530)
Central activities	1,024	(12,863)	(11,839)	1,311	(13,156)	(11,845)
	18,682	(53,298)	(34,616)	16,641	(48,637)	(31,996)
Self-financing activities and charitable trusts						
Practice regulation	12,783	(12,384)	399	12,327	(11,913)	414
Faculties	3,556	(3,845)	(289)	3,233	(3,776)	(543)
Charitable trusts	213	(1,347)	(1,134)	336	(1,391)	(1,055)
	16,552	(17,576)	(1,024)	15,896	(17,080)	(1,184)
Funding of external bodies						
Funding of external bodies – excluding Joint Disciplinary Scheme	37	(2,487)	(2,450)	23	(2,144)	(2,121)
Funding of Joint Disciplinary Scheme	508	(622)	(114)	–	(3,389)	(3,389)
	545	(3,109)	(2,564)	23	(5,533)	(5,510)
Operating result	70,765	(73,983)	(3,218)	66,020	(71,250)	(5,230)
Investment income	3,401	–	3,401	3,811	–	3,811
Group share of associates' results after tax	–	(4)	(4)	–	(3)	(3)
Result before taxation	74,166	(73,987)	179	69,831	(71,253)	(1,422)
Taxation			47			(487)
Analysis of net result after taxation						
Net result before funding of Joint Disciplinary Scheme		340			1,480	
Funding of Joint Disciplinary Scheme		(114)			(3,389)	
Net result after taxation		226			(1,909)	

SUMMARY INSTITUTE INCOME STATEMENT

for the year ended 31 December 2008

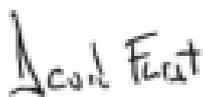
	Income £'000	Expenditure £'000	2008 Net £'000	Income £'000	Expenditure £'000	2007 Net £'000
Subscriptions and other income						
Subscriptions and fees	33,136	–	33,136	31,610	–	31,610
Licence and data access fees	1,850	–	1,850	1,850	–	1,850
	34,986	–	34,986	33,460	–	33,460
Subscription based services						
Learning & professional development	11,810	(15,765)	(3,955)	10,522	(13,866)	(3,344)
Professional standards	2,222	(4,708)	(2,486)	1,033	(3,865)	(2,832)
Member services	3,425	(8,484)	(5,059)	3,154	(6,429)	(3,275)
Regional services	171	(4,683)	(4,512)	174	(4,344)	(4,170)
Technical strategy	30	(6,795)	(6,765)	447	(6,977)	(6,530)
Central activities	1,024	(12,393)	(11,369)	1,311	(12,701)	(11,390)
	18,682	(52,828)	(34,146)	16,641	(48,182)	(31,541)
Self-financing activities						
Practice regulation	12,783	(12,384)	399	12,327	(11,913)	414
Faculties	3,556	(3,845)	(289)	3,233	(3,776)	(543)
	16,339	(16,229)	110	15,560	(15,689)	(129)
Funding of external bodies						
Funding of external bodies – excluding Joint Disciplinary Scheme	37	(2,487)	(2,450)	23	(2,144)	(2,121)
Funding of Joint Disciplinary Scheme	508	(622)	(114)	–	(3,389)	(3,389)
	545	(3,109)	(2,564)	23	(5,533)	(5,510)
Gift aid and library funding						
	–	(1,200)	(1,200)	–	(800)	(800)
Operating result						
	70,552	(73,366)	(2,814)	65,684	(70,204)	(4,520)
Investment income	3,009	–	3,009	3,368	–	3,368
Result before taxation						
	73,561	(73,366)	195	69,052	(70,204)	(1,152)
Taxation			47			(487)
Analysis of net result after taxation						
Net result before funding of Joint Disciplinary Scheme		356			1,750	
Funding of Joint Disciplinary Scheme		(114)			(3,389)	
Net result after taxation						
		242				(1,639)

SUMMARY BALANCE SHEETS

as at 31 December 2008

	Note	2008 £'000	Group 2007 £'000	2008 £'000	Institute 2007 £'000
Assets					
Non-current assets	2	58,663	62,280	49,831	51,472
Current assets		18,442	18,968	18,173	18,803
Non-current asset held for sale	3	–	2,971	–	2,971
Total assets		77,105	84,219	68,004	73,246
Liabilities					
Current liabilities		(29,478)	(25,311)	(29,081)	(25,000)
Non-current liabilities		(10,524)	(19,286)	(10,135)	(18,732)
Total liabilities		(40,002)	(44,597)	(39,216)	(43,732)
Total net assets		37,103	39,622	28,788	29,514
Reserves					
Revaluation reserve		5,865	11,330	5,865	11,330
Investment revaluation reserve		(132)	762	(132)	762
Accumulated fund		16,987	13,050	16,939	12,998
		22,720	25,142	22,672	25,090
Reserves retained by Self-financing activities and charitable trusts					
Self-financing activities		6,116	4,424	6,116	4,424
Charitable trusts		8,267	10,056	–	–
		14,383	14,480	6,116	4,424
		37,103	39,622	28,788	29,514

Approved on behalf of the council



David Furst
President



Michael Izza
Chief Executive

17 March 2009

SUMMARY CASH FLOW STATEMENTS

for the year ended 31 December 2008

	2008 £'000	Group 2007 £'000	2008 £'000	Institute 2007 £'000
Cash generated from operations	7,425	2,299	7,716	3,019
Income taxes paid	(377)	(416)	(377)	(416)
Cash outflow on Staff Pensions Fund liability	(3,685)	(1,760)	(3,685)	(1,760)
Cash outflow on JDS and AADB	(2,392)	(4,823)	(2,392)	(4,823)
Purchase of property, plant and equipment	(6,542)	(1,930)	(6,513)	(1,930)
Sale of property	3,057	–	3,057	–
Purchase of intangible assets	(1,181)	(1,187)	(1,181)	(1,187)
Deferred consideration received	1,000	1,000	1,000	1,000
Net purchase of available for sale investments	89	69	(55)	(172)
Investment income received	2,233	2,443	1,841	2,037
Net decrease in cash and cash equivalents in the year	(373)	(4,305)	(589)	(4,232)
Net cash and cash equivalents at 1 January	9,312	13,617	9,259	13,491
Net cash and cash equivalents at 31 December	8,939	9,312	8,670	9,259

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

for the year ended 31 December 2008

1 Basis of preparation

The summary financial statements have been extracted from the Institute's full financial statements for the year ended 31 December 2008, which have been prepared in accordance with International Financial Reporting Standards, and under the historical cost convention as modified by the revaluation of properties and available for sale investments.

2 Non-current assets

	2008 £'000	Group 2007 £'000	2008 £'000	Institute 2007 £'000
Net book amounts				
Property, plant and equipment	18,205	18,401	18,180	18,400
Intangible assets	2,580	2,789	2,580	2,789
Investments in associated undertakings	51	55	3	3
Restricted available for sale investments	5,000	–	5,000	–
Available for sale investments	29,832	36,854	21,073	26,099
Deferred consideration receivable	2,500	3,500	2,500	3,500
Deferred tax asset	495	681	495	681
	58,663	62,280	49,831	51,472

3 Non-current asset held for sale

At 31 December 2007, the freehold property, Gloucester House, Milton Keynes, was classified as a non-current asset held for sale at a value of £2,971,000. Sale of this property was completed in April 2008.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

for the year ended 31 December 2008 (continued)

4 Reserves

						Group
	Revaluation	Investment	Accumulated	Self-	Charitable	Total
	reserve	revaluation	fund	financing	trusts	
£'000	£'000	£'000	£'000	£'000	£'000	
Reserves at 1 January 2008	11,330	762	13,050	4,424	10,056	39,622
Net result after taxation	-	-	(268)	506	(12)	226
Decrease in valuation of property, plant and equipment	(4,280)	-	-	-	-	(4,280)
Transfer on sale of revalued property	(1,382)	-	1,382	-	-	-
Net change in market value of long-term investments over cost	-	(1,250)	-	-	(1,852)	(3,102)
Actuarial gains recognised in year on defined benefit pension scheme	-	-	2,952	1,186	75	4,213
Deferred tax attributable to above	197	356	(129)	-	-	424
	(5,465)	(894)	3,937	1,692	(1,789)	(2,519)
Reserves at 31 December 2008	5,865	(132)	16,987	6,116	8,267	37,103

					Institute
	Revaluation	Investment	Accumulated	Self-	Total
	reserve	revaluation	fund	financing	
£'000	£'000	£'000	£'000	£'000	
Reserves at 1 January 2008	11,330	762	12,998	4,424	29,514
Net result after taxation	-	-	(264)	506	242
Decrease in valuation of property, plant and equipment	(4,280)	-	-	-	(4,280)
Transfer on sale of revalued property	(1,382)	-	1,382	-	-
Net change in market value of long-term investments over cost	-	(1,250)	-	-	(1,250)
Actuarial gains recognised in year on defined benefit pension scheme	-	-	2,952	1,186	4,138
Deferred tax attributable to above	197	356	(129)	-	424
	(5,465)	(894)	3,941	1,692	(726)
Reserves at 31 December 2008	5,865	(132)	16,939	6,116	28,788

SUMMARY CORPORATE GOVERNANCE STATEMENT

for the year ended 31 December 2008

The council has adopted the provisions of section 1 of the Combined Code prepared by the committee on corporate governance, to the extent appropriate. During the year the council has monitored and assessed key risks in compliance with the guidance *Internal control: guidance for directors on the combined code*. The full corporate governance statement is set out in the financial statements for the year ended 31 December 2008.

INDEPENDENT AUDITORS' REPORT

for the year ended 31 December 2008

Independent auditors' statement to the members of The Institute of Chartered Accountants in England and Wales

We have examined the group and Institute summary financial statements, which comprise the summary income statements, balance sheets, cash flow statements and notes to the summary financial statements. This report is made solely to the Institute's members, as a body. Our audit work has been undertaken so that we might state to the Institute's members those matters we are required to state to them in an auditors' 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 Institute and the Institute's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the council and auditors

The council is responsible for preparing the annual review and the summary financial statements. Our responsibility is to report to you our opinion on the consistency of the summary financial statements within the annual review with the full annual report and financial statements. We also read the other information contained in the annual review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

Basis of audit opinion

We conducted our audit in accordance with *International Standards on Auditing (UK and Ireland)* issued by the Auditing Practices Board.

Opinion

In our opinion, the summary financial statements are consistent with the full financial statements of The Institute of Chartered Accountants in England and Wales for the year ended 31 December 2008 on which we expressed an unqualified audit opinion in our report dated 17 March 2009.



Grant Thornton UK LLP

Chartered accountants and registered auditors
London, England
17 March 2009

LIST OF COUNCIL MEMBERS

for the year ended 31 December 2008

The attendance record at meetings of council in 2008 is shown alongside each member (actual/possible).

PRESIDENT

David Furst (7/7)
Chairman,
Horwath Clark Whitehill LLP, London

DEPUTY-PRESIDENT

Martin Hagen (7/7)
Consultant, Deloitte LLP, Bristol

VICE-PRESIDENT

Gerald Russell (6/7) See note 1
tba

Victoria Alexander (3/4) See note 2
Co-opted, younger woman
member in business
Fixed Income Controller,
Goldman Sachs, London

Paul Aplin (6/7)
Ex officio, Chairman, Tax Faculty
Tax Partner, A C Mole & Sons

Michael Arnold (7/7)
Elected, South Eastern
Director, ACS Management Ltd

Malcolm Bacchus (7/7)
Elected, London, Finance Director,
Vyke Communications plc and Principal,
Baccma Consulting

Andrew Baigent (7/7)
Elected, London
Director, National Audit Office

Arthur Bailey (6/7)
Elected, Staffs, Salop & Wolverhampton
Consultant Begbies Traynor Group and
Non-executive Director

John Ball (7/7)
Elected, Nottingham, Derby & Lincoln
Financial Controller, Rolls-Royce plc

Mark Barnish (6/7)
Elected, Staffs, Salop & Wolverhampton
Partner, Baker Tilly

Carl Bayley (4/7)
Elected, Scotland
Director, Bayley Miller Ltd

Tony Bennewith (5/7)
Elected, South Eastern
Senior Partner, A J Bennewith and Co.

Penny Bickerstaff (4/7)
Ex officio, representative of the Finance
and Management Faculty
Independent Management Consultant

Lee Blunden (3/7)
Elected, Southern
Finance and Operations Director,
Britannia Parking Ltd

Ernie Bowyer (3/7)
Elected, London
Director, EVB Training Consultancy Ltd

Ian Cherry (7/7)
Elected, North West
Director, A I Cherry Ltd

David Chitty (6/7)
Elected, Croydon
Partner, Horwath Clark Whitehill LLP

Michael Colin (5/7)
Elected, Manchester
Independent consultant

John Collier (6/7)
Elected, London
Director, Clive & Stokes International,
Executive Search

Tony Cooper (5/7)
Elected, Sheffield
Company Director/Pensions trustee

Dennis Cox (1/7)
Elected, London
CEO Risk Reward Limited

Nick Cudmore (6/7)
Elected, Humberside & District
Partner, Duncan & Toplis

Ashish Dave (4/4) See note 2
Co-opted, member in the Middle East
Executive Director,
ABRAAJ Capital Limited, Dubai

Andrea Dunhill (7/7)
Elected, Croydon, Principal Lecturer,
Accounting and Finance,
Kingston University Business School

Graham Durgan (6/7)
Co-opted, member in business
Chairman, Emile Woolf, Thomas Murray,
Non-Executive Directors Association
and Durgan Monstein plc

Richard Dyson (6/7)
Ex officio, past President
Company Director

Maurice Ede (6/7)
Elected, South Eastern
Director, Network 4M Limited

Frank Edwards (7/7)
Elected, South Wales
Director, CODA Business Management Ltd

David Evans (0/4) See note 2
Co-opted, senior partner of an
international Group A firm
UK Senior Partner, Mazars LLP

Keith Ferguson (5/7)
Elected, South Wales
Director, KB Ferguson Ltd,
Chartered Accountants

Susan Field (6/7)
Elected, London
Sole Practitioner

Owen Finn (6/7)
Elected, Humberside & District
Managing Director, Premier Building &
Engineering Services UK Ltd

Richard Frost (7/7)
Elected, Sheffield
Audit Partner, Hawsons

Graeme Gordon (5/7)
Elected, Thames Valley
Senior Consultant responsible for Pakistan
and US, Emile Woolf

Bill Graham (3/7)
Elected, Northern
Consultant

Richard Green (0/0) See note 4
Ex officio, representative of the Corporate
Finance Faculty, Managing Partner,
August Equity LLP

Howard Gross (6/7)
Elected, London
Chief Executive, Gross Klein

Barrie Harding (7/7)
Elected, South Essex
Sole Practitioner

Richard Harwood (7/7)
Elected, Birmingham & West Midlands
Principal, Harwoods

Michael Hawley (5/7)
Elected, Nottingham Derby & Lincoln
Lecturer and Consultant,
Beeley Hawley & Co Ltd

Ian Hayes (6/7)
Elected, London
Managing Director, Vataxworld Ltd

John Hilton (7/7)
Elected, West of England
Practice Director,
Thring Townsend Solicitors

Marion Hodgkiss (5/7)
Elected, Liverpool
Kaplan Financial Ltd

Philip Hollins (7/7)
Elected, London
Partner, UHY Hacker Young LLP

Alistair Hollows (7/7)
Elected, Manchester
Director, IFA Mentor Ltd

Nigel Hughes (5/7)
Elected, Beds, Bucks & Herts
Managing Director,
Totteridge Associates Ltd

Chris Humphrey (7/7)
Co-opted, academic
Professor of Accounting (MAFG),
Manchester Business School

David Hunt (5/7)
Co-opted, member with links to the IFA
Principal, La Chasse Management
Development Company; and Visiting
Professor, Nottingham Business School

Stephen Huyton (4/4) See note 2
Co-opted, member in the EU
Financial director, Thermopatch BV,
The Netherlands

Constantine Ioannou (5/7)
Elected, London
Partner, Ioannou & Co and Company
Director of various companies

Peter Jenkins (5/7)
Elected, London
Director, Demyst Limited

Jeremy Jennings (4/4) See note 2
Co-opted, member in the EU
Global Director, Regulatory and
Government Relations, Ernst & Young,
Brussels

Suwei Jiang (3/4) See note 2
Co-opted, younger member
Director, PwC China Business Centre,
London

Grant Jones (7/7)
Elected, London
Counsel, Squire Sanders & Dempsey

Martyn Jones (6/7)
Co-opted, Chairman,
Ethics Standards Committee
National Audit Technical Partner,
Deloitte LLP

Neeraj Kapur (5/7)
Co-opted, member in financial institution
Finance Director, Lombard Asset
Finance Group

Adrian Keene (6/7)
Elected, Leics & Northants
Managing Director,
Mutual Clothing & Supply Co. Ltd

Robin Liddell (6/7)
Elected, Northern
Director, RS Liddell Consulting Ltd

Hilary Lindsay (6/7)
Elected, Leics & Northants
Business School Lecturer and E-learning
consultant

Alan Livesey (7/7)
Elected, Scotland
Managing Director, D.A.T.A. Services Ltd

Tony Lomas (1/7)
Co-opted, Chairman, Insolvency
Practitioners Committee
Chairman, Business Recovery Services
Division, PricewaterhouseCoopers LLP

Andrew Lovelady (6/7)
Elected, Liverpool
Group Finance Director, Ethel Austin
Property Group

Barry Matthews (7/7)
Elected, Birmingham & West Midlands
Director, Bissell & Brown Ltd

David McBride (6/7)
Elected, London
tba

Cameron Maxwell (7/7)
Elected, South Essex
Managing Director, CMA Services Ltd and
Non-executive Director, Avesco Group plc

Robert Millea (7/7)
Elected, East Anglian
Clerk, South East Essex College and
Member, General Teaching Council
for England

Peter Mitchell (3/7)
Elected, Beds, Bucks & Herts
Senior Partner, Peter Mitchell & Co
and Chairman, Society of Professional
Accountants

Sheilagh Moffat (7/7)
Elected, Birmingham & West Midlands
Partner, Mofat Gilbert

Alfred Morris CBE (3/7)
Elected, West of England
Associate, Smith and Williamson Solomon
Hare and Vice-Chancellor,
University of Wales, Lampeter

Ian Morris (7/7)
Ex officio, past President
Consultant, Morris and Co and
Partner, Turner Peachey

Gerry Murphy (2/4) See note 3
Ex officio, Chairman,
Audit & Assurance Faculty

Nick Parker (4/7)
Elected, Southern
Director of Tax, Tenon

Clive Parritt (6/7)
Elected, London
Chairman Baronsmead VCT 2 plc;
DIGiCo Europe Ltd; BC Consulting
Group Ltd and Non-executive Director,
London & Associated Properties plc
and other companies

Michael Pavia (3/7)
Co-opted, senior member in business
Non-executive Director, Thames Water
Utilities Limited, Telecom Plus plc
and Salamander Energy plc; Trustee of
Elizabeth Finn Care (charity)

Philip Pawson (6/7)
Elected, West Yorkshire
Barrister and consultant

Gareth Pearce (5/7)
Co-opted, senior member in practice
Chairman, Smith & Williamson

Andrew Ratcliffe (3/7)
Co-opted, Chairman,
Technical Strategy Board Partner,
PricewaterhouseCoopers LLP

Richard Reid (4/7)
Co-opted, senior partner in a Big Four
firm, London Chairman, KPMG LLP

Ann Shaw (3/7)
Elected, North West
Managing Director, Parkfoot Holiday
Homes Ltd

Robert Sheffrin (5/7)
Elected, Manchester
Director, Sheffrin

Michael Sherry (5/7)
Elected, London
Tax Counsel, 3 Temple Gardens, Temple

Karen Silcock (6/7)
Elected, London
Partner, Deloitte LLP

Andy Simmonds (2/4) See note 3
Ex officio, Chairman,
Financial Reporting Faculty

Mal Singh (7/7) See note 5
Observer member as CIPFA's
representative Head of Finance
Professionalism, HM Treasury

James Smith (4/4) See note 3
Ex officio, Chair National Students Council
Assistant Manager, Assurance & Advisory,
Deloitte LLP, Bristol

Joe Smoczynski (4/4) See note 2
Co-opted, member in EU
President, Baker Tilly & Smoczynski
& Partners Sp.zoo, Warsaw

Mark Spofforth (6/7)
Elected, South Eastern
Partner, Spofforths

Christopher Spokes (6/7)
Elected, East Anglian
Partner, Bidwells

Nathan Steinberg (6/7)
Elected, London Partner, Munslows and
Non-executive Director, Ambrian Capital
and Longships plc

Nicos Syrimis (7/7)
Co-opted, member in EU
Chairman, KPMG Cyprus

Bill Telford (3/7)
Elected, South Eastern
National Training Director, Baker Tilly

Jonathan Teller (6/7)
Ex officio, Chairman, Information
Technology Faculty, Consultant

John Tiernay (6/7)
Elected, Liverpool
Partner, TiernayFedrick

Peter Tucker (7/7)
Elected, Beds, Bucks & Herts
Tax Partner, Dickinsons Chartered
Accountants

Paul Wagstaff (6/7)
Elected, Thames Valley
Client Partner, Vantis Group Ltd

David Walker (7/7)
Elected, West Yorkshire
Finance Director,
Assurant Intermediary Ltd

Jatinder Wasu (6/7)
Elected, London
Principal, Sterling Hay

Jan Weber (5/7)
Elected, London
Finance Director, DIAM International

Eric Wiles (4/7)
Elected, Birmingham & West Midlands
Business Development Manager,
HSBC Rail (UK) Ltd

Fiona Wilkinson (7/7)
Elected, South Western
Principal, Wilkinsons

Alan Wintersgill (5/7)
Elected, West Yorkshire
Senior Partner, Naylor Wintersgill

Peter Wong (6/7)
Co-opted, HKICPA representative
Consultant, Deloitte Touche Tohmatsu,
Hong Kong and Non-executive Chairman,
GFC Trustees (Hong Kong) Ltd

Peter Wyman CBE (7/7)
Co-opted, senior partner in a Big
Four firm, Head of Professional Affairs,
PricewaterhouseCoopers LLP

**THE FOLLOWING WERE ALSO
MEMBERS OF COUNCIL DURING
THE YEAR 2008:**

Retired from 3 June 2008
Jérôme Adam OBE (3/4)
Co-opted, member in EU with links to the
EC Managing Director and Consultant,
Karome s.p.a. Belgium

Peter Blackie (3/3)
Co-opted, Member in Europe
Independent Adviser on EU affairs

Simon Hoolihan (1/3)
Ex officio, Chairman, National Student
Council, Assistant Manager, KPMG LLP

Eric Kench (3/3)
Co-opted, representative of small practice
Managing Partner, EA Kench & Co

Victoria Tait (3/3)
Co-opted, younger woman member
Accounts Senior, Dodd & Co

Lizzy Whitlock (2/3)
Co-opted, younger woman member
Taxation Adviser, 3i plc

Resigned from 1 October 2008
Michael Trigg (2/6)
Elected, South Western
Sole Practitioner

Resigned from 3 December 2008
Chris Ward (4/6)
Ex officio, representative of the Corporate
Finance Faculty, Global Head of Corporate
Finance, Deloitte & Touche LLP

NOTES

- 1 Ex officio, Chairman, Audit & Assurance Faculty to 3 June 2008
- 2 Co-opted from 3 June 2008
- 3 Ex officio from 3 June 2008
- 4 Ex officio from 4 December 2008
- 5 Resigned from 31 December 2008

SENIOR MANAGEMENT TEAM 2008

Michael Izza
Chief Executive

Robin Fieth
Executive Director, Finance & Operations

Robert Hodgkinson
Executive Director, Technical Strategy

Raymond Madden
Executive Director, Learning &
Professional Development

Vernon Soare
Executive Director, Professional Standards

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