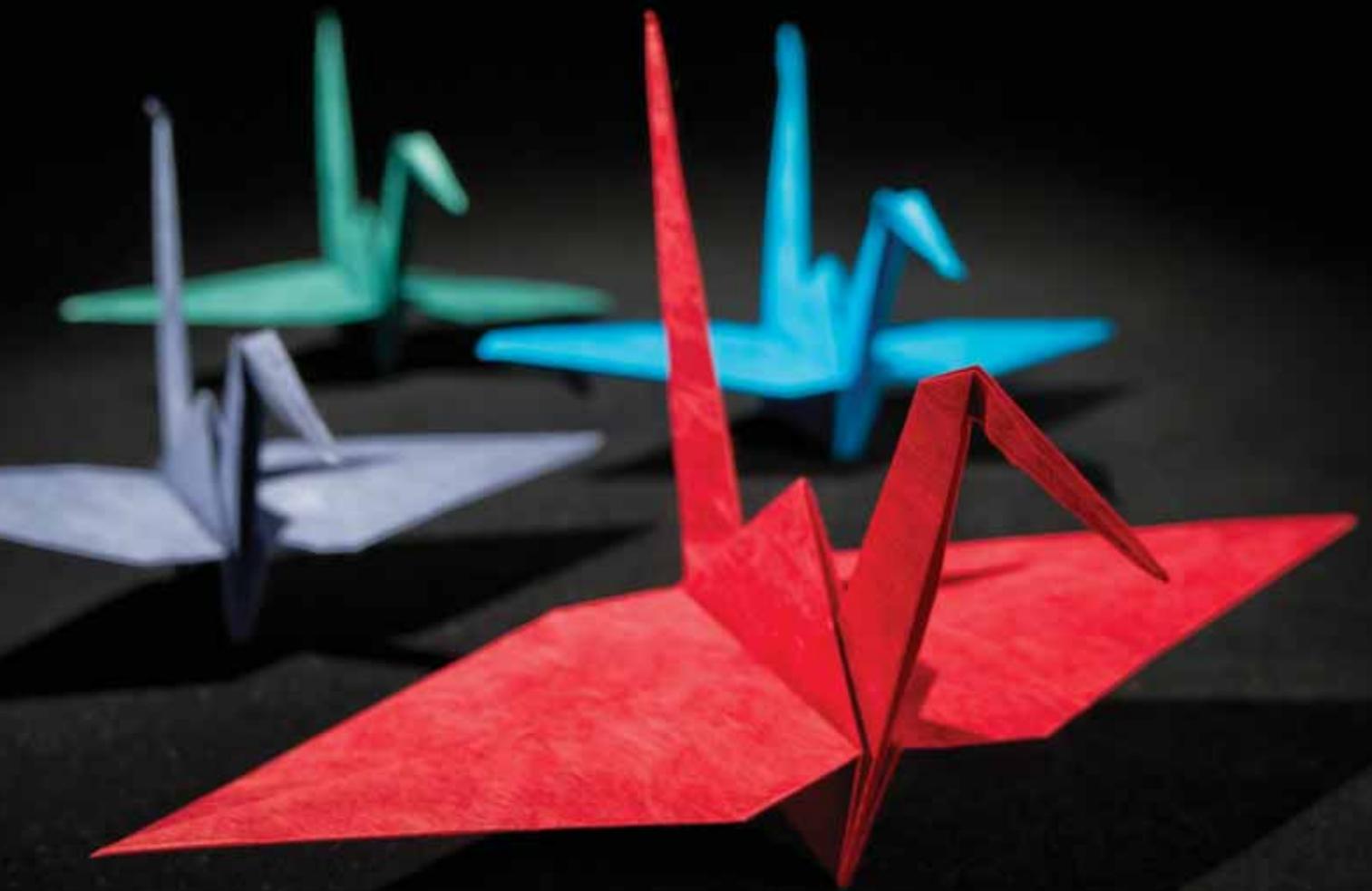




# ANNUAL REVIEW 2011



|          |   |           |
|----------|---|-----------|
| <b>1</b> | <b>A letter to members</b>  | <b>03</b> |
| <b>2</b> | <b>Organisational Overview and Business Model</b>   | <b>04</b> |
| <b>3</b> | <b>Operating Context including Risks and Opportunities</b>  | <b>05</b> |
|          | Our principal risks in 2011   | 05        |
| <b>4</b> | <b>Strategic Objectives and Strategies to achieve them</b>  | <b>06</b> |
|          | Our Strategy  | 07        |
| <b>5</b> | <b>Governance</b>   | <b>08</b> |
| <b>6</b> | <b>Performance</b>  | <b>09</b> |
|          | Summary   | 09        |
|          | <b>Key Performance Indicators</b>   | <b>10</b> |
|          | Knowledge and Skills: Economic Environment: promote the work of ICAEW, members, firms and businesses  | 10        |
|          | Knowledge and Skills: Products and Markets: ensure that our portfolio of qualifications and services remains fit for purpose and that we explore and tap into new markets | 12        |
|          | International Leadership: The Regulatory Environment: influence and respond to UK, European and global agendas  | 13        |
|          | International Leadership: Regional Activity: build our physical international presence and our international development work   | 14        |
|          | International Leadership: Our Key Relationships: nurture the connections that are important to us and establish new links as we grow internationally                      | 15        |
|          | Culture and Infrastructure: ensure we have an international mindset among staff and volunteers, and the infrastructure required to support our strategy                   | 16        |
|          | Sustainable Business: Brand and Membership: grow our membership base, increase awareness of the benefits of membership and evolve our brand                               | 17        |
|          | Sustainable Business: demonstrate and promote an active commitment to a sustainable global profession   | 18        |
| <b>7</b> | <b>Future Outlook</b>   | <b>19</b> |
| <b>8</b> | <b>Financial Review</b>   | <b>20</b> |
|          | Independent auditor's statement to the members of The Institute of Chartered Accountants in England and Wales   | 28        |

## CONTENTS

# 1

## A LETTER TO MEMBERS

Dear Members

We are pleased to report that ICAEW's performance in 2011 was strong.

- Member numbers are up, at over 138,000.
- Income grew by £6m to £82.4m. (All figures shown are ICAEW only and exclude our charities and other group companies).
- We delivered a net surplus of £4.1m which included £2.4m one-off receipts of fines and recoveries of past costs from the AADB (Accountancy and Actuarial Discipline Board). Our net assets at 31 December 2011 were £25.3m.
- We continued to increase student numbers, with 25% of intake now from outside the UK.

During 2011 we published 200 research/technical submissions. We also shaped the profession's response to a worsening of the economic outlook in the UK, eurozone and beyond. Key risks on the horizon include the reform of the Financial Reporting Council (FRC) and the EC legislative proposals on audit.

We were especially pleased with:

- 1 our **Business Advice Service**, through which members offer free advice to start-ups and SMEs (with over 3,000 offices signed up);
- 2 our work on **increasing access to the profession**, from special degree schemes and modern apprenticeships to an internship code; and
- 3 our **enhanced reputation with policy-makers and standard-setters**, particularly with the Coalition Government in the UK.

You will notice a few differences this year in the annual review structure. It covers ICAEW's strategy, operating context, performance against KPIs and future outlook, and aims to give you a balanced view of the past year.

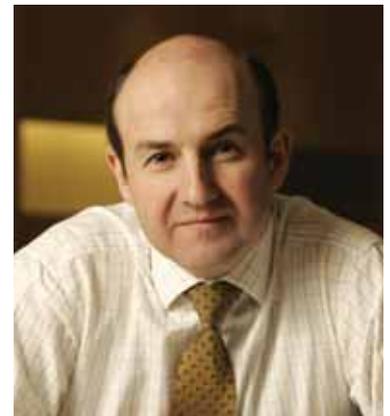
Finally, a huge thank you to staff, and to all our members in the UK and around the world who contribute so much through their involvement to the success of ICAEW.



**Clive Parritt**  
President



**Michael Izza**  
Chief Executive



# 2

## ORGANISATIONAL OVERVIEW AND BUSINESS MODEL



ICAEW is a professional membership organisation, supporting over 138,000 chartered accountants around the world. Through our technical knowledge, skills and expertise, we provide insight and leadership to the global accountancy and finance profession.

Our **business model** is based on the transformation of students into future leaders of the business and finance profession and supporting them as our members when they are qualified. We also help to provide business confidence by enforcing high standards and encouraging up-to-date business knowledge.

In our Charter, we set ourselves an aim to serve the public interest as we believe that in the long term the profession's interests should be aligned with the public it serves.

Our **financial model** is based on fees for training and exams and then annual subscription fees for membership. We also provide further exams and training for those who want to specialise in particular areas.

We are a regulator of the profession with independent oversight from the Financial Reporting Council for which our members and member firms pay annual fees.

We have also developed additional income streams from our capacity-building work around the world and from our growing commercial focus through One Moorgate

Place, leadership development, ICAEWjobs and other commercial partnerships. To consolidate our position, we set up a new commercial division at the start of 2012.

Our **business structure** is headed by the chief executive.

Until the end of 2011, our work was spread across 4 divisions and 13 departments. We modified this structure at the end of 2011 with the creation of a fifth new division (Commercial and Shared Services) to run business development and commercial initiatives. These are:

- to develop and examine ICAEW qualifications (Learning & Professional Development);
- to provide services to members and corporate functions (Members and Operations);
- to provide confidence that our members uphold our standards – and to investigate and, if necessary, discipline those who don't (Professional Standards); and
- to research, influence and develop guidance on best practice and policy in the activities our members typically work (Technical Strategy).

The structure is overseen by council, a board and departmental boards comprising a mixture of members, non-members and senior staff (see Governance section).

# 3

## OPERATING CONTEXT INCLUDING RISKS AND OPPORTUNITIES



2011 was a year of continuing turmoil and economic slowdown in many global financial markets – particularly in the eurozone and in the US – and of continuing opportunity in others.

There were many opportunities presented by an increasingly global business and finance world, with countries keen to develop strong accountancy professions and make the transition to international accounting standards; and with firms keen for students to have internationally-recognised qualifications.

There were also opportunities to develop as a regulator, and potentially for our members to develop and extend their businesses. However, there were also downsides.

We have worked to protect our assets in the turbulent market conditions. However, the market fluctuations have affected the value of our pension liabilities and covenant values of the scheme were breached at 31 December 2011. We are working with the staff pensions fund trustee to determine whether this represents a temporary event.

### OUR PRINCIPAL RISKS IN 2011

We have identified a number of significant risks that may adversely affect our business, operations, financial position or future performance. These are listed together with their mitigating actions.

#### **1 Proposed EU reforms to the audit market and regulation by professional bodies resulting in the loss by ICAEW of key functions and activities.**

We manage a communications and representations programme at all levels, exploring alternative models and proposals with the regulators and with our member firms, and commissioning independent research with audit committee chairmen.

#### **2 ICAEW does not adjust quickly to changes in powers or influence exercised by UK regulatory bodies.**

We promote the contribution ICAEW makes to the public interest, before the member interest, and engage regularly with law-makers, standard-setters and regulators.

#### **3 Limitations on resources which arise through unexpected events, such as AADB funding demands and pension requirements, impacting delivery of our strategy.**

We maintain robust budget and forecast processes, monitor developments regularly with key stakeholders and amend activity as necessary.

#### **4 Disruption to operations and reputational damage arising from failure of physical or data security systems.**

We run regular audits of access and penetration tests together with careful selection of third parties for sensitive work.

# 4

## STRATEGIC OBJECTIVES AND STRATEGIES TO ACHIEVE THEM



Our strategic vision is for ICAEW to be a world leader of the finance and accountancy profession. We want to be recognised as the best for:

- the quality of service given by our members and in support of our members;
- the quality and innovation of our portfolio of finance-related qualifications; and
- our reputation and influence.

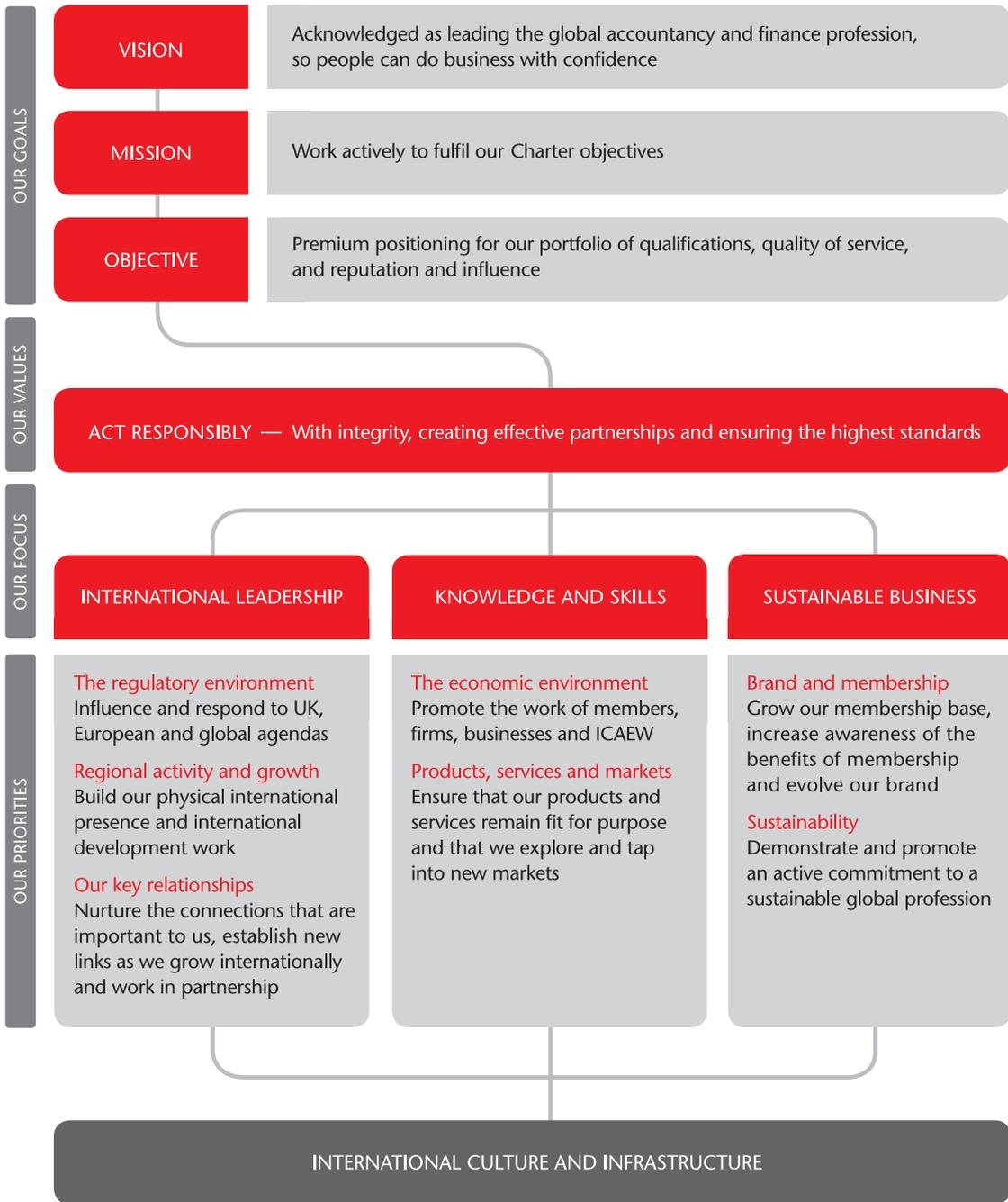
To achieve this we have looked to:

- maintain our primacy in the UK;
- establish an international footprint in chosen markets;
- grow student numbers, both in the UK and internationally, while maintaining high examination standards;

- create a suite of member services and commercial activities;
- help members maintain high professional standards; and
- grow our brand presence and thought leadership programme to position ICAEW as a leading voice on professional and public policy developments.

These aims are reflected in our key performance indicators (see Performance section). We track a range of financial and non-financial indicators relating to our qualifications, service by and for our members, and our reputation and influence.

# OUR STRATEGY 2011



# 5

## GOVERNANCE



ICAEW is a chartered corporation and operates under the terms of its Royal Charter, bye-laws and regulations. We choose to measure our governance against the UK Corporate Governance Code (June 2010) where appropriate.

As at the end of 2011, we had a **council of 83 members**. Council considers, reviews and agrees ICAEW's strategy, operational plans and budgets, representing and articulating the views of members. It delegates most matters to the ICAEW board, the departmental boards, committees and the chief executive. Council members serve on a voluntary basis, but we reimburse their costs for travel and subsistence.

The majority (currently 54) are elected by ICAEW members. They serve for a four-year period, with elections being held every two years for half the available seats. In addition to the elected members there are 12 ex officio members (office-holders, the two most recent past presidents, faculty representatives and a representative from the international student council) and 17 co-opted members. Co-opted members are appointed to ensure that council broadly represents the main sectors and interests of the whole membership.

**ICAEW's office-holders** (president, deputy-president and vice-president) have an ambassadorial role meeting members and stakeholders, promoting ICAEW and representing the views of the council and wider membership. They counsel and advise the chief executive. The president chairs ICAEW annual and special meetings, the board and, currently, the CCAB.

**The chief executive** is responsible for the overall management of ICAEW, for developing and implementing strategy, and for ensuring that ICAEW operates economically, efficiently and effectively. He also has a representational role, building effective relationships with members and stakeholders.

ICAEW's board had 15 members in 2011. The board has overall responsibility for monitoring the development and implementation of ICAEW's strategy, planning and budgeting and the development of policy.

#### The board in 2011 consisted of:

- The President (Chairman) – Gerald Russell (to June)  
Clive Parritt (from June)
- The Deputy-President (Vice-Chairman) – Clive Parritt (to June), Mark Spofforth (from June)
- The Vice-President – Mark Spofforth (to June), Martyn Jones (from June)
- The chairs of Learning & Professional Development Board, Jan Weber (to June), Andrew Baigent (from June); Member Services Board, Penny Bickerstaff; Professional Standards Board, Richard Harwood; and Technical Strategy Board, Andrew Ratcliffe
- Two members who are elected from and by council for two years, Arthur Bailey and Ian Cherry (to June)/ Ian Davies (from June)
- Member involved in regulation – EU and International – Jeremy Jennings
- The Chief Executive – Michael Izza
- Other Executive Directors:
  - Robin Fieth, Members and Operations
  - Robert Hodgkinson, Technical Strategy
  - Vernon Soare, Professional Standards
  - Mark Protherough, Learning & Professional Development

Sharron Gunn joined the board from 1 January 2012 as Executive Director, Commercial. Gerald Russell, Jan Weber, Ian Cherry and Caroline Mawhood (co-opted to the board from CIPFA) stood down from the board during the year and we thank them for their service.

# 6

## PERFORMANCE



### SUMMARY

ICAEW performed well in 2011 despite difficult conditions. The economic environment has affected some of our targets for this year. Our focus was on how those conditions would affect our members, both now and in the longer term.

The core assumption for the 2011 budget was to break even financially and increase member numbers to 138,000, which we achieved. In the UK we maintained our leading position, while we consolidated key international markets.

We also increased demand for our education and training products outside our core qualification, and grew our commercial revenues.

We had a strong year for building our reputation with governments and regulators, both through our technical work and engagement, and through a number of initiatives, most notably the Business Advice Service, our work around access to the profession,

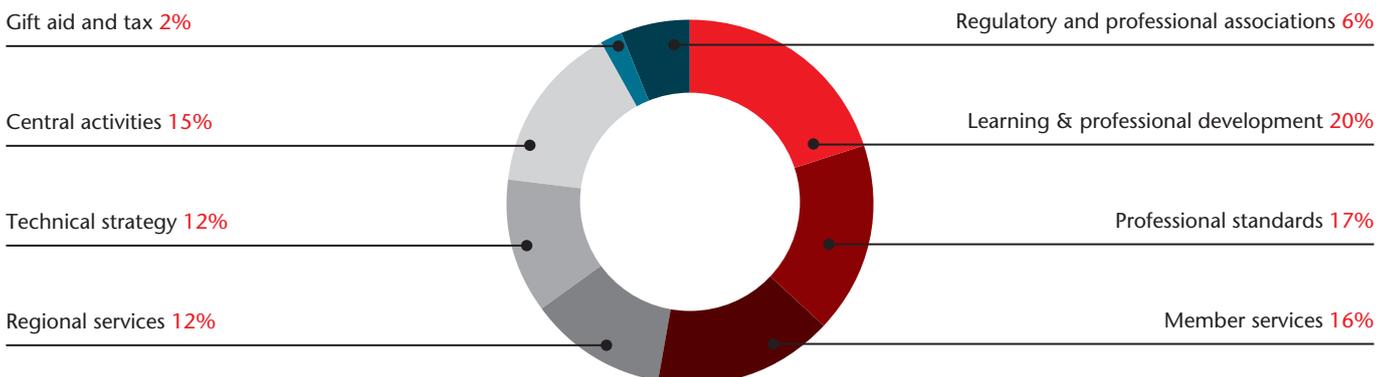
and our international capacity-building work with key projects including the first stand-alone accountancy qualification for Botswana.

We've continued to develop our stakeholder and member engagement on professional issues through our faculties, social media: LinkedIn, Facebook, Twitter and through our communities, as well as more traditional routes such as our international City groups, and by email.

For sustainable business, too, we had a successful year, attracting substantial funding for the Finance Innovation Lab's The Economics of Ecosystems and Biodiversity (TEEB) project, which aims to assess the true cost of business to society and the environment.

We extended our branding focus in 2011 to put more emphasis on the value of the ICAEW Chartered Accountant.

### Expenditure information

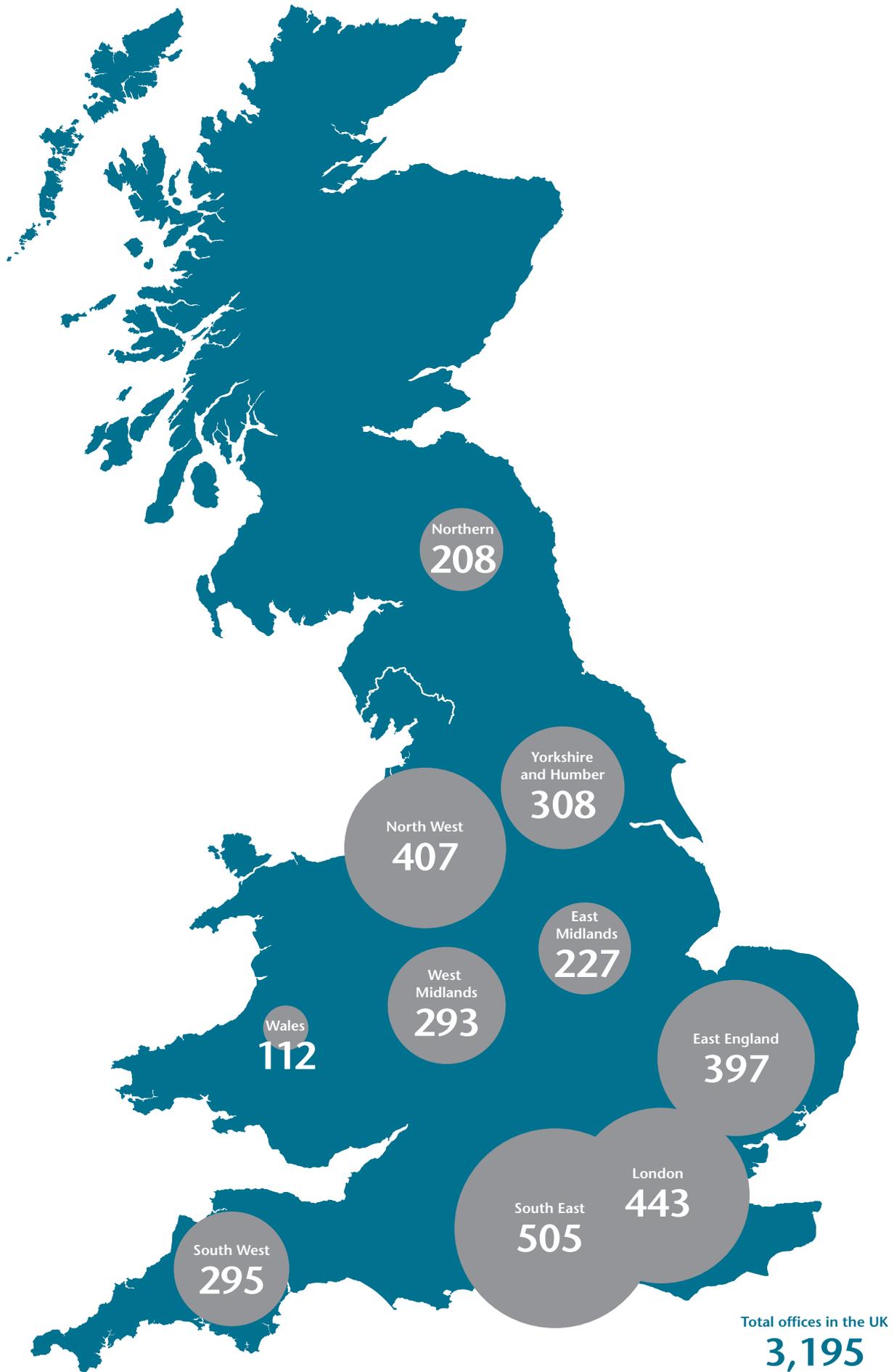


## KEY PERFORMANCE INDICATORS

1 Knowledge and Skills: Economic Environment: promote the work of ICAEW, members, firms and businesses. See [icaew.com/review](http://icaew.com/review) Performance section for fully linked KPIs.

| Initiative   | Results  |   |
|--|--|---|
| <b>Business Advice Service</b><br><a href="http://businessadviceservice.com">businessadviceservice.com</a>   | <p>The Business Advice Service promotes free initial advice sessions to SMEs, start-ups and growing businesses from ICAEW Chartered Accountants.</p> <ul style="list-style-type: none"> <li>• By the end of 2011, over 3,000 offices had signed up to offer free advice sessions to SMEs.</li> <li>• It was endorsed by UK Government and business figures for promoting business-led growth and as a communications channel to business.</li> </ul>                       | <p>Over 3,000 offices offer free advice to SMEs</p>                             |
| <b>Business Confidence Monitor</b><br><a href="http://icaew.com/bcm">icaew.com/bcm</a>   | <ul style="list-style-type: none"> <li>• The quarterly <i>ICAEW/Grant Thornton Business Confidence Monitor</i> was one of the first indicators to highlight the contraction in the UK economy in Q4.</li> <li>• This year we carried out econometric research showing that it tracked and predicted UK GDP effectively.</li> </ul>   | <p>Tracked and predicted UK GDP effectively</p>                                 |
| <b>Small Business Economic Forum (SBEF) UK</b><br><a href="http://icaew.com/publicpolicy">icaew.com/publicpolicy</a>   | <ul style="list-style-type: none"> <li>• The Small Business Economic Forum is one way the government engages with the needs of small business. Through Michael Izza's membership of SBEF, we helped hold the British Bankers' Association to account for implementing the BBA Business Finance Taskforce's 17 recommendations, and helped it bring small business concerns to the government's attention.</li> </ul>   |   |
| <b>Public Policy Submissions (UK)</b>  | <ul style="list-style-type: none"> <li>• We made well-received public policy submissions to the UK Budget and Autumn Statement, and to a variety of all-party parliamentary groups including an inquiry into <i>Financial Education and the Curriculum</i>.</li> <li>• ICAEW was quoted over 50 times in Parliament this year.</li> </ul>  | <p>Quoted over 50 times in Parliament this year</p>                             |
| <b>New capabilities</b>  | <ul style="list-style-type: none"> <li>• ICAEW became an accredited body under the Retail Distribution Review in early 2012.</li> <li>• The Prudential case on legal and professional privilege moved on and the case was given leave to appeal to the Supreme Court. This will be heard in November 2012.</li> </ul>  |   |
| <b>Enterprise Survey Reports</b><br><a href="http://icaew.com/en/technical/business-and-financial-management/smes/enterprise-survey-report">icaew.com/en/technical/business-and-financial-management/smes/enterprise-survey-report</a> | <ul style="list-style-type: none"> <li>• The Enterprise Survey asks ICAEW Chartered Accountants across the world about business concerns; this year the <i>Global Enterprise Survey</i> showed that 6 in 10 businesses worldwide expect to grow turnover in 2012, with particularly strong expectations in Africa and the Gulf.</li> <li>• We published the <i>Global Enterprise Survey</i> in our international regions where it gained strong media coverage.</li> </ul> | <p>Showed that 6 in 10 businesses worldwide expect to grow turnover in 2012</p> |

Business Advice Service Offices, by region  
Figures correct at 13 April 2012

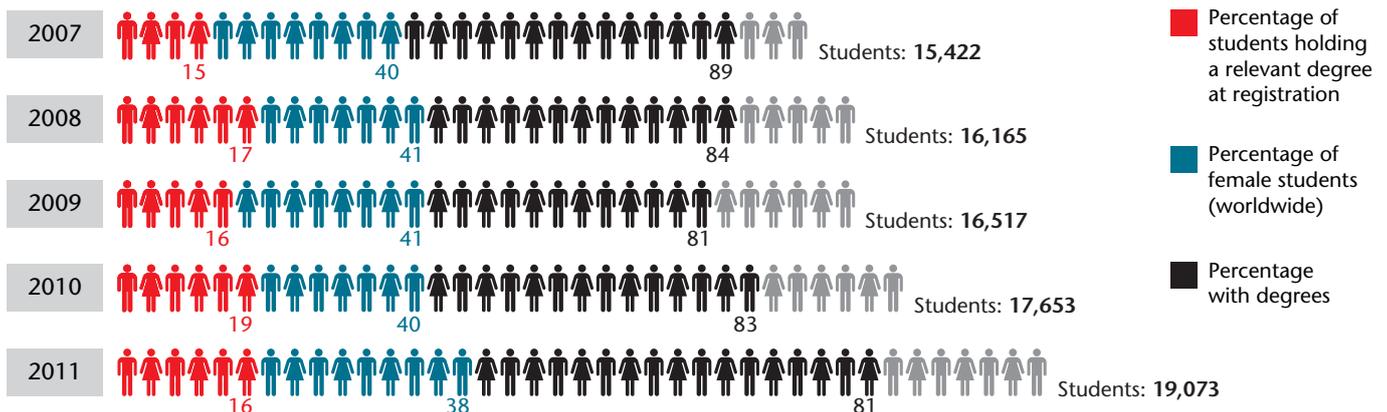


## KEY PERFORMANCE INDICATORS

### 2 Knowledge and Skills: Products and Markets: ensure that our portfolio of qualifications and services remains fit for purpose and that we explore and tap into new markets.

| Initiative  | Results  |  |
|---|--|--|
| <p><b>Work on increasing access to the profession:</b></p> <ul style="list-style-type: none"> <li>Strategic Partnership Degrees</li> <li>Higher Apprenticeships in Professional Services scheme with PwC</li> <li>Common Best Practice Code for High Quality Internships</li> </ul> <p><a href="http://icaew.com/publicpolicy">icaew.com/publicpolicy</a></p>   | <p>ICAEW has become recognised for promoting access to the chartered accountancy profession in the UK.</p> <ul style="list-style-type: none"> <li>We launched new strategic partnership degrees, such as the scheme with Manchester Metropolitan University where students can study for two degrees and three qualifications including the ACA at the same time, on a part-time basis, or KPMG's scheme with Durham University which pays school leavers a wage during their work and study. They have been inundated with applicants.</li> <li>We won a joint bid with PwC to set up 1,500 Higher Apprenticeships by March 2015.</li> <li>We helped produce the industry-led Common Best Practice Code for High Quality Internships, which has been applied to our own internships. We encourage members to adopt it.</li> </ul> | <p>Manchester Met: students study for two degrees and three qualifications</p> <p>KPMG's Durham University scheme pays students a wage</p> |
| <p><b>New qualifications</b></p> <ul style="list-style-type: none"> <li>Corporate Finance Experience Route</li> <li>IFRSs Diploma</li> <li>Certificate in Clarified International Standards on Auditing (ISAs)</li> <li>Financial Reporting Standard for Smaller Entities Programme launched at end 2011</li> </ul> <p><a href="http://icaew.com/en/qualifications-and-programmes/">icaew.com/en/qualifications-and-programmes/</a></p> | <ul style="list-style-type: none"> <li>We launched four new qualifications to respond to gaps in the market.</li> <li>The ISAs certificate has already had strong take-up, and there was strong take-up of the IFRSs diploma too.</li> </ul>   | <p>Four new qualifications in 2011</p>   |
| <p><b>Fit for purpose exams, Authorised Training Employers and electronic administration</b></p>  | <ul style="list-style-type: none"> <li>ACA exams now take place in 26 countries.</li> <li>New companies offering training, including Nestlé, BUPA and Bank of New York Mellon.</li> <li>All exams (except the Case Study) are now electronically marked.</li> </ul>  | <p>ACA exams now take place in 26 countries</p>  |
| <p><b>Thought leadership in education</b></p> <p><a href="http://icaew.com/technical">icaew.com/technical</a></p>   | <ul style="list-style-type: none"> <li>We published two key papers on education in the UK: a response to the White paper on Higher Education and the first paper on Repayment Mechanisms.</li> </ul>   |  |
| <p><b>Increase student numbers</b></p>  | <ul style="list-style-type: none"> <li>19,073 ACA students were studying in 2011, with 5,951 new students, a 20-year high.</li> <li>Over 800 new CFAB students registered in 2011, the highest ever.</li> </ul>  | <p>Highest ACA student numbers in 20 years</p>   |

#### Student data



## KEY PERFORMANCE INDICATORS

### 3 International Leadership: The Regulatory Environment: influence and respond to UK, European and global agendas.

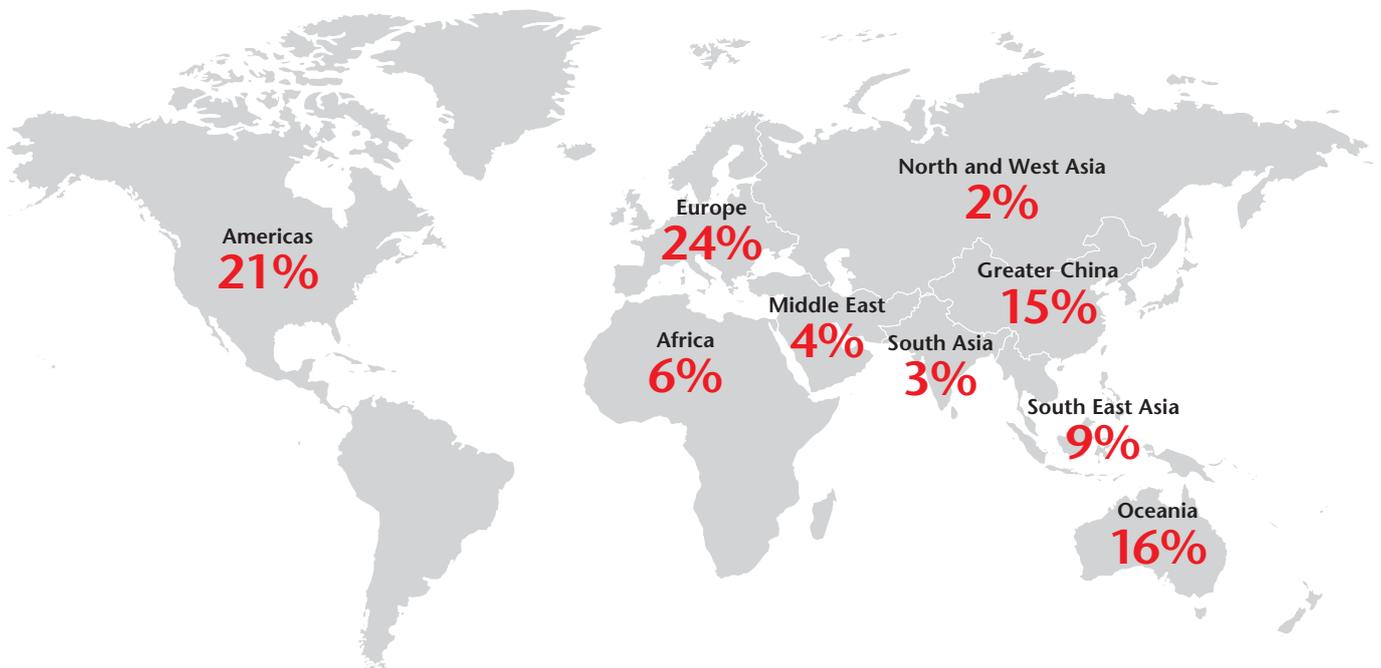
| Initiative  | Results   |  |
|---|---|--|
| <b>Technical policy</b><br><a href="http://icaew.com/technical">icaew.com/technical</a>                               | <p>In 2011, we published some 200 high-quality technical representations worldwide, including 70 on tax. Among them:</p> <ul style="list-style-type: none"> <li>• <i>PCAOB Concept Release on Auditor Reporting</i></li> <li>• <i>IAASB on Auditor Reporting</i></li> <li>• <i>Simpler Reporting for the Smallest Businesses (BIS)</i></li> <li>• <i>Simpler income tax for the Smallest Businesses (HMT)</i></li> <li>• <i>The Kay review of UK Equity Capital Markets (BIS)</i></li> <li>• <i>Disincorporation of small companies (HMT)</i></li> <li>• <i>Consultation on the future of financial reporting in the UK (ASB)</i></li> <li>• <i>Managing the Professional Liability of Accountants</i></li> <li>• <i>A long-term focus for Corporate Britain (BIS)</i></li> </ul>   |  200 policy submissions                         |
| <b>Thought leadership</b><br><a href="http://icaew.com/thoughtleadership">icaew.com/thoughtleadership</a>             | <p>We published four major thought leadership reports in 2011:</p> <ul style="list-style-type: none"> <li>• <i>How information systems work</i> – Building trust in the digital age: rethinking privacy, property and security</li> <li>• <i>Information for Better Markets</i> – Reporting Business Risks: Meeting Expectations</li> <li>• <i>Finance Direction</i> – The finance function: a framework for analysis</li> <li>• <i>New Challenges Initiative</i> – <i>The Buck Stops Here?</i> New Challenges for Audit Committees</li> </ul>  |  Four thought leadership reports                |
| <b>Public policy</b><br><a href="http://icaew.com/publicpolicy">icaew.com/publicpolicy</a>                            | <p>We continued to engage at the highest levels within the UK, EU and other international markets. Including:</p> <ul style="list-style-type: none"> <li>• engagement with a host of other institutes and professional bodies (eg, chairing sessions at a EU27 Roundtable organised by the Hungarian Chamber of Auditors), FEE, (Fédération des Experts Comptables Européens), the European Court of Auditors, and key European think tanks;</li> <li>• the new International Integrated Reporting Council (IIRC), over international proposals for a more integrated approach to reporting;</li> <li>• HMRC service standards in the UK;</li> <li>• our work on legal professional privilege; and</li> <li>• our work on the EU and UK debates on audit such as engaging with MEPs and working closely with the Bank of England and the FSA to develop a Code of Practice in audit.</li> </ul> |  Worked with IIRC, HMRC, EU, FSA...           |
| <b>Organising major events responding to global agendas</b><br><a href="http://icaew.com/events">icaew.com/events</a> | <ul style="list-style-type: none"> <li>• Among our events this year were three international policy summits, <i>Crisis without a legacy?</i> which attracted senior regulators, government and figures in financial services and academia in Brussels, Singapore and Abu Dhabi.</li> </ul>  |  Concluded successful policy summit series    |
| <b>Contributing to significant conferences</b>  | <p>We engaged with key academics, regulators and professionals:</p> <ul style="list-style-type: none"> <li>• at major American Accounting Association conferences;</li> <li>• at ICIS (International Conference on Information Systems); and</li> <li>• at the World Economic Forum in Davos.</li> </ul>  |  Engaged with AAA, ICIS, World Economic Forum |

## KEY PERFORMANCE INDICATORS

### 4 International Leadership: Regional Activity: build our physical international presence and our international development work.

| Initiative  | Results  |  |
|---|--|--|
| <b>Launch of Greater China region</b><br><a href="http://icaew.com/greaterchina">icaew.com/greaterchina</a>   | <ul style="list-style-type: none"> <li>Our new Greater China regional office in Beijing is now one of four international regional offices, including Europe, Middle East and South East Asia, which aim to provide better services to our members in those regions.</li> </ul>   |  Fourth international region, Greater China           |
| <b>Capacity building work</b>   | <ul style="list-style-type: none"> <li>We worked in four countries on projects to build strong national sustainable accountancy bodies.</li> <li>We set up the first stand-alone accountancy qualification with the Botswana Institute of Chartered Accountants.</li> <li>We won and signed four further contracts, for Asian Development Bank, Ghana, Tanzania and Malawi.</li> </ul>   |  Four capacity-building projects and signed four more |
| <b>International conferences, events and CPD for members</b><br><a href="http://icaew.com/events">icaew.com/events</a>  | <ul style="list-style-type: none"> <li>Among our conferences and events, we were joint organisers with the National Bank of Romania of a major conference on IFRSs implementation, and joint organisers of a conference with the Cyprus – UK Business Association which attracted the Minister of Finance and British High Commissioner.</li> <li>We had a successful exchange with CICPA (Chinese Institute of Certified Public Accountants) and a Chinese Authorised Training Employer visit, among others.</li> </ul> |  |
| <b>Launched The Middle East Accountancy and Finance Excellence Awards</b><br><a href="http://accountancyandfinanceawards.ae">accountancyandfinanceawards.ae</a> | <ul style="list-style-type: none"> <li>Successful launch of the prestigious new Middle East Accountancy and Finance Excellence Awards, which celebrate the profession in an increasingly competitive part of the world.</li> </ul>   |  Prestigious new Accountancy and Finance Awards     |

### Members outside the UK in 2011



## KEY PERFORMANCE INDICATORS

### 5 International Leadership: Our Key Relationships: nurture the connections that are important to us and establish new links as we grow internationally.

| Initiative  | Results   |   |
|---|---|---|
| <b>Member relationships: consultation</b><br><a href="http://icaew.com/communities">icaew.com/communities</a><br><a href="http://icaew.com/economia">icaew.com/economia</a>   | <p>As a membership organisation heavily dependent on members volunteering their expertise, understanding the views of our members is vital. As well as using more formal channels such as our committees and faculties, we engage with members using different media.</p> <ul style="list-style-type: none"> <li>• Our communities doubled their unique users in 2011 (515,218). Participation in social media like Facebook, Twitter and LinkedIn, also grew strongly.</li> <li>• Readership of the chief executive's blog more than doubled in 2011.</li> <li>• We also consulted members on their ideas for our new magazine <i>economia</i>, launched in February 2012.</li> </ul>  |  Our online communities doubled unique users   |
| <b>Member relationships: resources and networks</b> <ul style="list-style-type: none"> <li>• Advisory Services Helpline</li> <li>• LIS (Library &amp; Information Services) and Business Centre <a href="http://icaew.com/library">icaew.com/library</a></li> <li>• new Practice Committee and Portal <a href="http://icaew.com/practice">icaew.com/practice</a></li> <li>• Business Portal <a href="http://icaew.com/en/members/resources-for-business">icaew.com/en/members/resources-for-business</a></li> <li>• Special Interest Groups <a href="http://icaew.com/sigs">icaew.com/sigs</a></li> <li>• Faculties <a href="http://icaew.com/faculties">icaew.com/faculties</a></li> <li>• Leadership development <a href="http://icaew.com/leadership">icaew.com/leadership</a></li> <li>• Regional volunteer-run member groups</li> <li>• Active Members</li> <li>• FTSE 250 Club and AIM FD Club</li> </ul> | <p>We exist to serve our members and offer them the information, training and networks that they need.</p> <ul style="list-style-type: none"> <li>• Advisory Services Helpline handled 150,000 enquiries.</li> <li>• Library enquiries increased by 5.8% to reach 18,800 in 2011 and its online resources, such as eBooks, Country and Subject gateways, continued to expand. There were over 17,000 member visits to the Business Centre in London.</li> <li>• The Business Portal on the website launched at the end of 2011.</li> <li>• Membership of the 12 special interest groups grew by 9% to over 12,000.</li> <li>• Total faculty membership grew to over 30,000. A few examples of the many faculty resources launched in 2011: our internationally acclaimed Financial Reporting Faculty iPhone App, IT Faculty's Excel Community, Finance &amp; Management Faculty's 'How to Manage your Boss' video.</li> <li>• Our leadership development programme included the launch of the new major Middle East Accountancy and Finance Excellence Awards, and a targeted series of leadership programmes for members at different stages of their careers. For women these include Women in Finance, Women in Leadership, Women on Boards.</li> <li>• We launched a new programme for our our Active Members (volunteers) with monthly email updates.</li> <li>• We are engaging business members with their peers through regular meetings of our FTSE 250 and AIM FD Clubs, and regional FD forums.</li> </ul> |  150,000 enquiries to Advisory Services<br> 18,800 Library enquiries<br> Over 17,000 visits to the Business Centre<br> Over 12,000 SIG members<br> Over 30,000 faculty members |
| <b>Memoranda of Understanding</b>   | <ul style="list-style-type: none"> <li>• We engage closely with international professional bodies to advance the profession, and MoUs can help pave the way to working together. Five agreements were signed in 2011 in Poland with the Chamber of Auditors KIBR, with ICPAS (Institute of Certified Public Accountants of Singapore) and in Kenya, Vietnam, and Mexico.</li> </ul>   |  Five MoUs were signed   |
| <b>Publishing contract tendered</b><br><a href="http://icaew.com/economia">icaew.com/economia</a>   | <ul style="list-style-type: none"> <li>• This commercial contract was tendered in 2011 resulting in a new partnership with Progressive Customer Publishing, which, from 2012, is publishing our new member magazine, <i>economia</i>, and faculty magazines.</li> </ul>   |  New member magazine, <i>economia</i> , launched   |

## KEY PERFORMANCE INDICATORS

6 Culture and Infrastructure: ensure we have an international mindset among staff and volunteers, and the infrastructure required to support our strategy.

| Initiative   | Results   |  |
|--|---|--|
| Internal Communications, cross cultural and cultural awareness workshops, talent management programme  | <ul style="list-style-type: none"> <li>We pay the living wage, pay our interns, and adopted the Common Best Practice Code for High-Quality Internships.</li> <li>We carried out cultural awareness workshops to help our staff work with international members.</li> <li>35 staff studied languages through ICAEW.</li> </ul>                                   |  Pay the living wage and our interns                    |
| Infrastructure projects to develop tailored content  | <ul style="list-style-type: none"> <li>Among our work this year was the email preference centre. Feedback has been positive, with most satisfied with the system which allows members to opt in and out of being contacted by ICAEW.</li> </ul>   |  Email preference centre launched                       |
| Digital infrastructure to support international membership and better support time-pressured UK members helping them cut down on travel and join in at a time to suit them | <ul style="list-style-type: none"> <li>32 live webinars (up from 19 in 2010) which are proving popular, with 3,884 members participating.</li> <li>Library substantially increased digital resources available through the LIS microsite <a href="http://icaew.com/library">icaew.com/library</a>.</li> <li><i>Members' handbook</i> was put online.</li> </ul> |  3,884 members took part in live webinars               |
| New website and redeveloped homepage   | <ul style="list-style-type: none"> <li>New <a href="http://icaew.com">icaew.com</a> website rolled out in 2011.</li> <li>We successfully redeveloped the <a href="http://icaew.com">icaew.com</a> homepage in response to user feedback and site stats; and we improved the top 500 pages.</li> </ul>   |  New <a href="http://icaew.com">icaew.com</a> website |

### Top five webinars

# 1

## Clarified ISAs – 446 (Practice Support)

[icaew.com/emags/webinars/ClarifiedISAsTop15Questions18.5.11.wmv](http://icaew.com/emags/webinars/ClarifiedISAsTop15Questions18.5.11.wmv)

# 2

## Avoiding Clarified ISA pitfalls – 427 (Practice Support)

[icaew.com/emags/webinars/Avoiding\\_Clarified\\_ISA\\_pitfalls.wmv](http://icaew.com/emags/webinars/Avoiding_Clarified_ISA_pitfalls.wmv)

# 3

## Top tips on practice management – 294 (Practice Support)

[icaew.com/emags/webinars/Toptipsonpracticemgmt\\_new.wmv](http://icaew.com/emags/webinars/Toptipsonpracticemgmt_new.wmv)

# 4

## Agent Strategy – 220 (Tax Faculty)

[icaew.com/emags/webinars/TaxNewsAgentStrategyJuly.11.wmv](http://icaew.com/emags/webinars/TaxNewsAgentStrategyJuly.11.wmv)

# 5

## Exam technique – 207 (LPD)

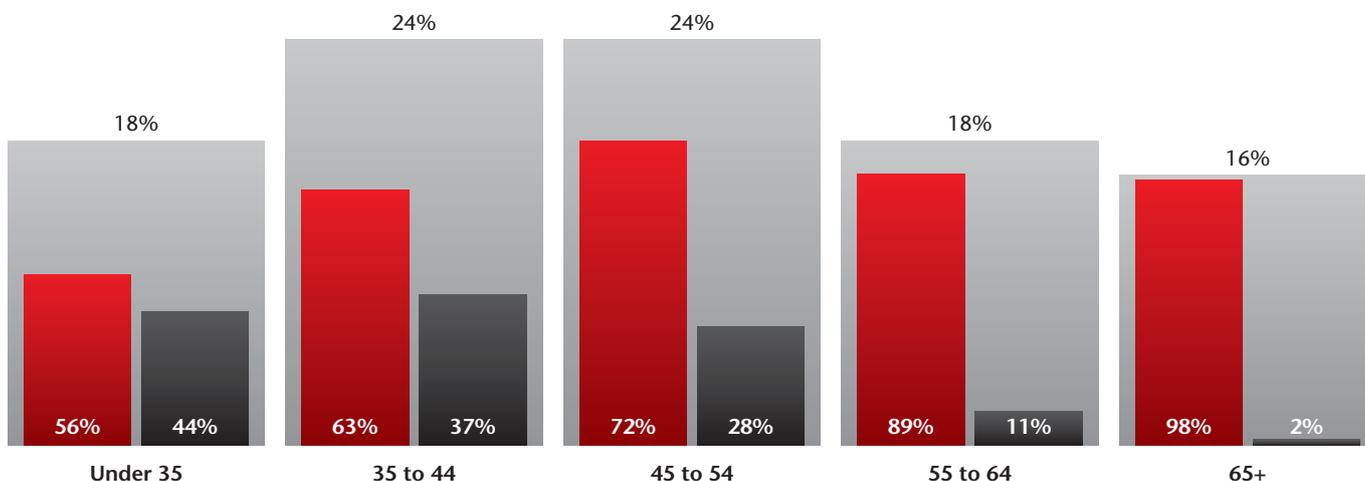
[icaew.com/emags/webinars/Examtechniques.25.5.11.wmv](http://icaew.com/emags/webinars/Examtechniques.25.5.11.wmv)

## KEY PERFORMANCE INDICATORS

**7 Sustainable Business: Brand and Membership: grow our membership base, increase awareness of the benefits of membership and evolve our brand.**

| Initiative  | Results  |   |
|---|--|---|
| <b>Increase membership numbers</b>  | <ul style="list-style-type: none"> <li>Increased to over 138,000 from 136,000 a year ago.</li> </ul>   | Over 138,000 members                      |
| <b>Preference for the ACA, strengthening our brand</b>  | <ul style="list-style-type: none"> <li>ICAEW remained a Business Superbrand in 2011. Our stakeholder survey showed awareness of ICAEW continues to grow, while showing some areas need improvement.</li> </ul>   |   |
| <b>ICAEW Chartered Accountant campaign</b>  | <ul style="list-style-type: none"> <li>Advertising campaign which raised awareness of ICAEW Chartered Accountants in the UK and beyond.</li> </ul>   |   |
| <b>Business Games, BASE and ICAEW BOSS</b><br><a href="http://icaew.com/base">icaew.com/base</a>              | <ul style="list-style-type: none"> <li>We ran our original business game, BASE, which is designed to introduce school students to business and accountancy. We also ran business games in India, Malaysia, Singapore, Cyprus and Romania. BOSS, a new online business game with similar aims to BASE, is being piloted in 2011–12.</li> </ul>  | Started pilot for new business game, BOSS |
| <b>Charity Awards and Everybody Counts awards</b><br><a href="http://icaew.com/charity">icaew.com/charity</a> | <ul style="list-style-type: none"> <li>Our Charity Awards and Everybody Counts Awards celebrate the work of our members in the voluntary sector.</li> <li>Many members work full time in charities, and we know members cover at least 30,000 different voluntary roles around the world and are much in demand as volunteers.</li> </ul>  | At least 30,000 voluntary roles worldwide |
| <b>ICAEW Foundation</b><br><a href="http://icaew.com/foundation">icaew.com/foundation</a>                     | <ul style="list-style-type: none"> <li>Our first bursary recipient graduated from the LSE and has obtained a training contract with KPMG in Cyprus.</li> <li>We funded the third year of study for our bursary holder in Nottingham University, who is the first person from her family to go to university.</li> <li>Our funding supported the bursary programme of MANGO (Management Accounting for Non-Governmental Organisations) which enabled local NGO staff in 11 countries in Africa and Asia to attend MANGO training.</li> <li>We continued our president's lunch series which supported fundraising for the Foundation.</li> </ul> | First ICAEW Foundation bursary graduate   |

All members by Age Group, 31 December 2011



All: 138,464 Men: 103,228 Women: 35,236

Average Age All: 49 Men: 52 Women: 41

Gender Split Men: 75 Women: 25

## KEY PERFORMANCE INDICATORS

### 8 Sustainable Business: demonstrate and promote an active commitment to a sustainable global profession.

| Initiative   | Results   |   |
|--|---|---|
| <b>Sustainable business</b><br><a href="http://icaew.com/sustainablebusiness">icaew.com/sustainablebusiness</a>                  | <p>We continue to promote sustainable business as the future of business. Our work has included:</p> <ul style="list-style-type: none"> <li>• secondment to HMRC of one member of staff; and another to the Treasury Select Committee; and</li> <li>• the launch of a financial management learning tool called At Home with Money in a pilot social housing project in November 2011. This is a joint project with Grant Thornton and housing association Poplar HARCA. We are on target to engage 3,000 residents with the website, before it is launched nationally in Parliament this year.</li> </ul>  |  Financial management project launched in East London  |
| <b>Finance Innovation Lab</b><br><a href="http://thefinancelab.ning.com">thefinancelab.ning.com</a>                              | <p>Our joint project with WWF-UK to re-think the financial system now runs eight groups.</p> <ul style="list-style-type: none"> <li>• One outcome was a Preventable Surprises event, looking at lessons from the BP Gulf of Mexico disaster.</li> <li>• The TEEB for Business Coalition, which is working on how to factor in the true cost of business to society and the environment, won substantial support in 2011, including a £100,000 grant from government to conduct the initial research.</li> </ul>   |  Our Finance Innovation Lab is rethinking the financial system   |
| <b>Charity Commission and ICAEW pilot review project</b><br><a href="http://icaew.com/reviewproject">icaew.com/reviewproject</a> | <ul style="list-style-type: none"> <li>• We launched a pilot programme to look at financial controls and risk awareness of charities. 25 reviews were carried out by ICAEW volunteer members in 2011.</li> </ul>  |   |
| <b>Low Carbon ICAEW</b>  | <ul style="list-style-type: none"> <li>• ICAEW gained the Carbon Trust Standard, recognising our policy to create a low-carbon ICAEW through minimising electricity, gas, and travel. We reduced utility consumption by 5.5% and paper consumption by 13.5%, both better than target. The paper recycling scheme introduced this year saved 630 trees.</li> </ul>   |  Gained Carbon Trust standard  |
| <b>Corporate Responsibility Programme for members and staff</b>  | <ul style="list-style-type: none"> <li>• Members take part in the Use Your Expertise programme which delivers volunteers to schools who help increase the basic financial understanding of young people. We are currently assessing this programme's effectiveness. Over 130 volunteers are currently active.</li> <li>• We launched a sustainability day for staff mid-2011. It gives one paid day a year for staff to do approved CSR activity; initial take up includes the Technical Strategy Department painting a school in Hackney; 97 staff had taken a day by 31 December 2011.</li> <li>• We advertised 166 volunteer roles free on <a href="http://icaewjobs.com">icaewjobs.com</a></li> </ul> |  130 members volunteer in schools through Use Your Expertise<br><br> Advertised 166 volunteer roles on <a href="http://icaewjobs.com">icaewjobs.com</a> |

#### Voluntary Activities, 2011 Members

Total responses: 33,412



6,642

Board member of charity/NFP



429

Local councillor



251

Magistrate/JP



3,709

School governor



8,875

Treasurer of charity/pension fund



10,387

Treasurer/secretary of local organisation



3,119

Other role

# 7

## FUTURE OUTLOOK



At the start of 2012, the global economic outlook remained challenging, with the World Bank warning of a possible global recession, and the world looking set to experience the slowest growth since 2009. As a whole, the eurozone declined in the final quarter of 2011 and it remains to be seen whether it can avoid recession in the first quarter of 2012; the single currency area is expected to struggle to grow in 2012.

Meanwhile, unrest continues to simmer in parts of the Middle East and political risks have kept oil prices high – with concerns that a conflict could see oil prices soaring once more, choking off the global recovery. However, it is not all bad; growth in the US has been stronger than expected and emerging markets continue to grow at a robust pace. Hence, while growth across the globe will slow, there will still be growth.

A number of other global risks threaten stability, from increasing income inequality to quite staggering rates of youth unemployment (over 40% in Spain). For some countries, the next year is likely to see vociferous debate about the social contract and the future of capitalism.

And there are some specific risks and opportunities for the profession. We hope, for example, to see a satisfactory outcome on the future of audit in the EU, and on issues around legal professional privilege.

We must be especially sensitive to costs to members and make sure, more than ever, that we deliver good value.

Against this uncertain backdrop, ICAEW will aim to:

- deliver quality through learning and development
- meet the needs of business
- extend our impact and our reach
- support members.

# 8

## FINANCIAL REVIEW

ICAEW's financial statements for 2011 include the four charitable trusts associated with ICAEW together with our international subsidiaries. The commentary below relates primarily to the operating activities of ICAEW.

### Results

Total income was £82.4m, £6.0m higher than in 2010. The retained surplus after tax for the year was £4.1m (2010: £1.8m). This is after receipt of £2.4m of one-off fines and recoveries of past costs from the Accountancy and Actuarial Discipline Board (AADB), which remains a significant area of expenditure as outlined below.

The result for the year needs to be viewed in conjunction with our cash flow position, which reflects a number of significant cash flow commitments outside the income statement, including the AADB and pension funding.

Net assets at 31 December 2011 were £25.3m, a reduction of £4.0m over the 2010 net assets of £29.3m. Cash and cash equivalents ended the year at £5.1m, reflecting a net cash outflow of £5.2m in the year. Total cash and investments stood at £35.0m at the end of the year, a reduction of £6.1m on 2010.

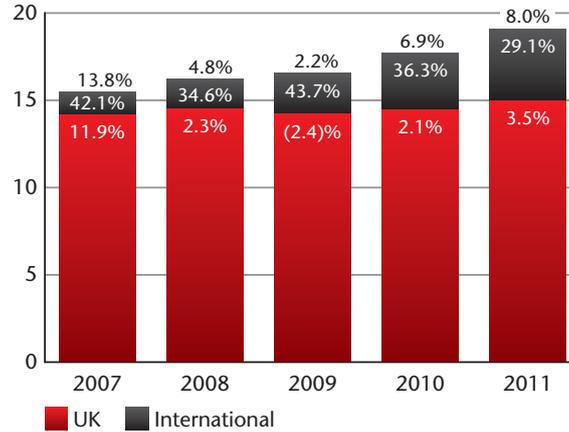
The consolidated outcome for the year, including the results of ICAEW's charitable trusts, was a surplus after tax of £4.5m (2010: £2.0m).

### Student and membership growth

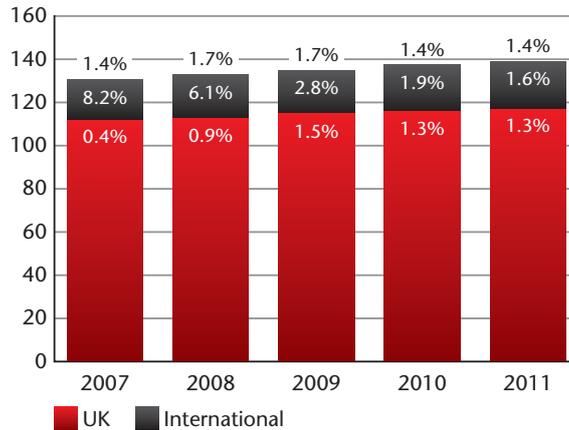
2011 ACA student intake of 5,951 (2010: 5,652) was the highest for 20 years and reflects both increases in our market share in the UK and growth in our number of overseas students. Total ACA student numbers at the end of 2011 stood at 19,073 (2010: 17,653). In addition 814 students signed up for our foundation level Certificate in Finance, Accounting and Business (2010: 625).

Membership grew by 1.4% to 138,464, from admissions of newly-qualified students to membership, together with reciprocal and similar arrangements with members of other institutes.

Student growth ('000s)



Membership growth ('000s)



### Income

Revenue from members' fees and subscriptions rose by 4.7% to £37.7m. Other income, as outlined below, increased by £4.3m to £44.7m in 2011.

Income from students and other qualifications, including ACA, International Financial Reporting Standards (IFRSs), Corporate Finance and the Diploma in Charity Accounting, grew by £0.7m to £12.5m.

Professional standards income, including from practice regulation together with disciplinary-related income, increased by £0.3m to £14.0m.

Revenues from our commercial initiatives increased in the year to £5.4m (2010: £4.6m).

During 2011 the AADB brought two cases to tribunal which resulted in fines of £1.6m being imposed and passed to ICAEW as income. In addition, cost recoveries of £0.8m were returned to ICAEW in respect of these cases.

The AADB 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.

Investment income from our multi-asset portfolio increased by 28% to £2.3m.

## Expenditure

Operating expenditure increased to £78.3m, a rise of 3.1% excluding the impact of cost recoveries from AADB and JDS. We have continued to exert tight control over our costs, while investing in our strategy.

Professional standards expenditure reduced by £0.8m to £13.4m as a result of restructuring carried out previously, including the impact of the change to our pension arrangements and continued cost control.

Costs of providing member services increased by £1.9m to £12.5m, reflecting investment in new initiatives including leadership programmes and publishing.

Within our regional teams, costs increased to £9.4m from £8.1m in 2010 as we continued to invest in supporting our members and students locally in the UK while continuing to develop our international regional network. This includes the launch of the Business Advice Service and the opening of our Greater China office.

During 2011 we charged costs of £2.7m to the income statement in relation to the AADB, a decrease of £2.4m on 2010. This was partly offset by cost recoveries of £0.8m imposed by AADB tribunals and returned to ICAEW as noted above. Notwithstanding these fines and cost recoveries, we maintain a significant funding deficit in relation to the AADB, as outlined in the financial position section below.

## Tax

The net corporation tax charge for the year was less than £0.1m (2010: £0.1m).

## Pensions

ICAEW's defined benefits pension scheme was closed to further member benefit accrual from 30 June 2010.

As part of the agreement to the closure of the scheme, we have agreed to make deficit funding contributions of £6.0m a year for three years from 1 July 2010, reducing to £3.5m a year thereafter until the deficit is eliminated. A charge remains over Chartered Accountants' Hall and the fund has an interest in up to £10.0m of our investment portfolio, although this is no longer required to be ring-fenced and all investments are therefore unrestricted.

Employees who participated in the scheme were invited to join ICAEW's defined contribution pension arrangements, with transitional enhanced employer contributions payable until June 2013.

The 2010 actuarial valuation showed a deficit of £22.5m at 31 March 2010. The deficit funding arrangements referred to above are intended to eliminate this deficit in around five years and we are working with the trustee to develop an investment strategy intended to make the scheme entirely self-sufficient by 2025.

The scheme deficit has been affected by the turbulence in the financial markets arising from the crisis in the eurozone. This has led to an increased demand for UK gilts which has reduced their yields significantly, increasing scheme liabilities. A desktop valuation of the funding position at 31 December 2011 estimated the scheme deficit at £40.1m, at which level a trigger event is recognised on the covenant agreement. The situation is being monitored to determine whether this represents a temporary event and discussions are continuing with the trustee. This review will not be concluded until after the date of signing of these financial statements. At that date our estimate of the scheme funding was 82.5%, at which level we would expect the trigger event to be deemed to be temporary.

If the red trigger event is not deemed to be temporary and the covenant agreement is enforced, an additional funding contribution of £5.0m to the scheme would be required and the funding plan reviewed as to duration and size of payments; the current covenant agreement would also end. Such a contribution does not have a direct impact on the income statement and no provision has been made within current liabilities owing to the uncertainty of the temporary event.

## Financial position

Net assets at 31 December 2011 were £25.3m – a reduction of £4.0m on the 2010 position. This includes the impact of the underlying increase in ICAEW's share of the pension deficit, which rose to £6.0m in 2011 from £5.4m in 2010 after the input of £6.4m deficit funding contributions. In addition, during 2011 the market value of our long-term investments decreased to £29.9m from £30.8m in 2010.

The value of Chartered Accountants' Hall increased by £0.6m in total, following an increase of £1.2m in 2010. Chartered Accountants' Hall was valued at £9.1m at 31 December 2011.

Trade and other payables were £29.6m (2010: £28.2m). This reflects an increase in 2012 subscription income in advance. Trade and other receivables were £12.4m (2010: £8.7m), the increase arising from disciplinary income due from AADB, new regulatory collections and earlier billing of certain income streams.

We have provided £8.6m (2010: £8.8m) of costs relating to the AADB at 31 December 2011 reflecting their current case load. Case costs are forecast on the basis of the available information on actual or prospective cases. However, the accuracy of the forecast will depend on assumptions made about the progress of individual cases and is subject to a significant degree of uncertainty. We do not take account of any potential future income from fines or cost recoveries from the AADB before a judicial judgement has been made.

## Cash flow

Cash balances at 31 December 2011 were £5.1m. Net cash outflow was £5.2m compared to a £0.3m inflow in 2010. Our cash profile fluctuates on an annual cycle, this year peaking at £43.6m in March and bottoming out at £5.1m in December.

Funding of the AADB saw a cash outflow of £2.9m (2010: JDS and AADB £2.2m).

ICAEW provided £6.4m (2010: £6.2m) of deficit funding to the Staff Pensions Fund, in line with the current agreement.

Capital expenditure was £2.7m (2010: £2.7m). We expect to spend £3.0m of capital expenditure in 2012.

## Report of the auditor

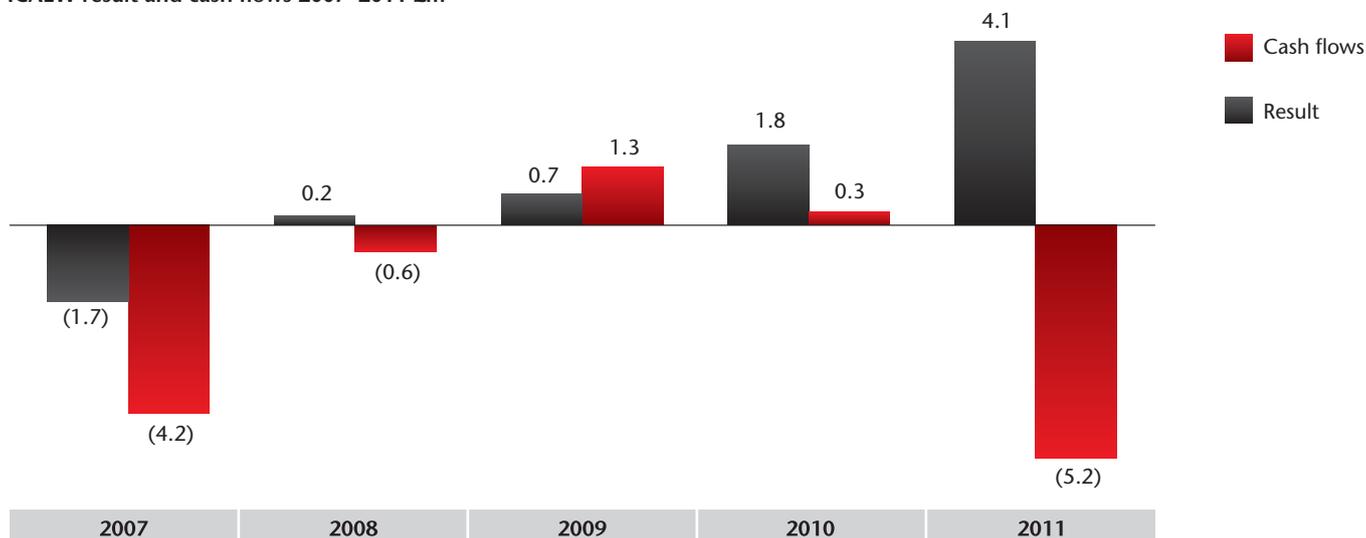
The auditor's report on the full accounts for the year ended 31 December 2011 was unqualified.

## Further information

You can get full financial statements:

- online at [icaew.com/review](http://icaew.com/review);
- by emailing [fullaccounts@icaew.com](mailto:fullaccounts@icaew.com) or
- by writing to Andrew Fagg, Finance Director.

ICAEW result and cash flows 2007–2011 £m



# SUMMARY FINANCIAL STATEMENTS

## Summary group income statement

For the year ended 31 December 2011

|  | 2011        |               |              | 2010        |               |              |
|--|-------------|---------------|--------------|-------------|---------------|--------------|
|  | Income      | Expenditure   | Net          | Income      | Expenditure   | Net          |
|  | £m          | £m            | £m           | £m          | £m            | £m           |
| Subscriptions and fees                         | 37.7        | –             | 37.7         | 36.0        | –             | 36.0         |
| Learning and professional development          | 12.5        | (15.3)        | (2.8)        | 11.8        | (14.8)        | (3.0)        |
| Professional standards                         | 14.0        | (13.4)        | 0.6          | 13.7        | (14.2)        | (0.5)        |
| Member services                                | 5.4         | (12.5)        | (7.1)        | 4.6         | (10.6)        | (6.0)        |
| Regional services                              | 0.1         | (9.4)         | (9.3)        | 0.1         | (8.1)         | (8.0)        |
| Technical strategy                             | 4.1         | (9.5)         | (5.4)        | 3.9         | (9.1)         | (5.2)        |
| Central activities                             | 0.5         | (12.3)        | (11.8)       | –           | (10.9)        | (10.9)       |
| Charitable trusts                              | 0.2         | (1.1)         | (0.9)        | 0.2         | (1.2)         | (1.0)        |
|  | <u>74.5</u> | <u>(73.5)</u> | <u>1.0</u>   | <u>70.3</u> | <u>(68.9)</u> | <u>1.4</u>   |
| Joint Disciplinary Scheme                      | –           | –             | –            | 0.4         | 2.2           | 2.6          |
| Accountancy and Actuarial Discipline Board     | 3.1         | (1.9)         | 1.2          | 1.4         | (5.1)         | (3.7)        |
| Other regulatory and professional associations | 0.8         | (2.8)         | (2.0)        | 0.8         | (2.9)         | (2.1)        |
|  | <u>3.9</u>  | <u>(4.7)</u>  | <u>(0.8)</u> | <u>2.6</u>  | <u>(5.8)</u>  | <u>(3.2)</u> |
| Other income – licence and data access fees    | 1.9         | –             | 1.9          | 1.9         | –             | 1.9          |
| <b>Operating result</b>                        | <b>80.3</b> | <b>(78.2)</b> | <b>2.1</b>   | <b>74.8</b> | <b>(74.7)</b> | <b>0.1</b>   |
| Investment income                              | 2.5         | –             | 2.5          | 2.0         | –             | 2.0          |
| <b>Result before taxation</b>                  | <b>82.8</b> | <b>(78.2)</b> | <b>4.6</b>   | <b>76.8</b> | <b>(74.7)</b> | <b>2.1</b>   |
| Taxation                                       |             |               | (0.1)        |             |               | (0.1)        |
| <b>Net result after taxation for the year</b>  |             |               | <b>4.5</b>   |             |               | <b>2.0</b>   |

## Summary group statement of comprehensive income

|  | 2011         | 2010       |
|--|--------------|------------|
|  | £m           | £m         |
| Net result after taxation recognised in the income statement in the year | 4.5          | 2.0        |
| Gains on revaluation of property, plant and equipment                    | 0.6          | 1.2        |
| (Losses)/gains on revaluation of available for sale investments          | (2.5)        | 2.7        |
| Actuarial (losses)/gains recognised in the year                          | (7.7)        | 4.3        |
| Deferred tax   | 0.6          | (1.0)      |
| Net (losses)/gains not recognised in the income statement in the year    | (9.0)        | 7.2        |
| <b>Total comprehensive (expense)/income in the year</b>                  | <b>(4.5)</b> | <b>9.2</b> |

## Summary ICAEW income statement

For the year ended 31 December 2011

|  | 2011        |               |              | 2010        |               |              |
|--|-------------|---------------|--------------|-------------|---------------|--------------|
|  | Income      | Expenditure   | Net          | Income      | Expenditure   | Net          |
|  | £m          | £m            | £m           | £m          | £m            | £m           |
| Subscriptions and fees                         | 37.7        | –             | 37.7         | 36.0        | –             | 36.0         |
| Learning and professional development          | 12.5        | (15.3)        | (2.8)        | 11.8        | (14.8)        | (3.0)        |
| Professional standards                         | 14.0        | (13.4)        | 0.6          | 13.7        | (14.2)        | (0.5)        |
| Member services                                | 5.4         | (12.5)        | (7.1)        | 4.6         | (10.6)        | (6.0)        |
| Regional services                              | 0.1         | (9.4)         | (9.3)        | 0.1         | (8.1)         | (8.0)        |
| Technical strategy                             | 4.1         | (9.5)         | (5.4)        | 3.9         | (9.1)         | (5.2)        |
| Central activities                             | 0.5         | (11.8)        | (11.3)       | –           | (10.3)        | (10.3)       |
|  | <u>74.3</u> | <u>(71.9)</u> | <u>2.4</u>   | <u>70.1</u> | <u>(67.1)</u> | <u>3.0</u>   |
| Joint Disciplinary Scheme                      | –           | –             | –            | 0.4         | 2.2           | 2.6          |
| Accountancy and Actuarial Discipline Board     | 3.1         | (1.9)         | 1.2          | 1.4         | (5.1)         | (3.7)        |
| Other regulatory and professional associations | 0.8         | (2.8)         | (2.0)        | 0.8         | (2.9)         | (2.1)        |
|  | <u>3.9</u>  | <u>(4.7)</u>  | <u>(0.8)</u> | <u>2.6</u>  | <u>(5.8)</u>  | <u>(3.2)</u> |
| Other income – licence and data access fees    | 1.9         | –             | 1.9          | 1.9         | –             | 1.9          |
| Gift aid and library funding                   | –           | (1.7)         | (1.7)        | –           | (1.6)         | (1.6)        |
| <b>Operating result</b>                        | <b>80.1</b> | <b>(78.3)</b> | <b>1.8</b>   | <b>74.6</b> | <b>(74.5)</b> | <b>0.1</b>   |
| Investment income                              | 2.3         | –             | 2.3          | 1.8         | –             | 1.8          |
| <b>Result before taxation</b>                  | <b>82.4</b> | <b>(78.3)</b> | <b>4.1</b>   | <b>76.4</b> | <b>(74.5)</b> | <b>1.9</b>   |
| Taxation                                       |             |               | –            |             |               | (0.1)        |
| <b>Net result after taxation for the year</b>  |             |               | <b>4.1</b>   |             |               | <b>1.8</b>   |

## Summary ICAEW statement of comprehensive income

|  | 2011         | 2010         |
|--|--------------|--------------|
|  | £m           | £m           |
| Net result after taxation recognised in the income statement in the year | <u>4.1</u>   | <u>1.8</u>   |
| Gains on revaluation of property, plant and equipment                    | 0.6          | 1.2          |
| (Losses)/gains on revaluation of available for sale investments          | (1.9)        | 1.8          |
| Actuarial (losses)/gains recognised in the year                          | (7.4)        | 4.1          |
| Deferred tax   | <u>0.6</u>   | <u>(1.0)</u> |
| Net (losses)/gains not recognised in the income statement in the year    | <u>(8.1)</u> | <u>6.1</u>   |
| <b>Total comprehensive (expense)/income in the year</b>                  | <b>(4.0)</b> | <b>7.9</b>   |

## Summary statements of financial position

as at 31 December 2011

|  |      | Group         |               |               | ICAEW         |               |               |
|--|------|---------------|---------------|---------------|---------------|---------------|---------------|
|  |      | 2011          | 2010          | 2009          | 2011          | 2010          | 2009          |
|  | Note | £m            | £m            | £m            | £m            | £m            | £m            |
| <b>Assets</b>                              |      |               |               |               |               |               |               |
| Non-current assets                         | 2    | 62.5          | 64.5          | 60.1          | 51.9          | 53.2          | 49.9          |
| Current assets                             |      | 19.1          | 20.3          | 19.6          | 18.3          | 19.8          | 19.1          |
| <b>Total assets</b>                        |      | <b>81.6</b>   | <b>84.8</b>   | <b>79.7</b>   | <b>70.2</b>   | <b>73.0</b>   | <b>69.0</b>   |
| <b>Liabilities</b>                         |      |               |               |               |               |               |               |
| Current liabilities                        |      | (34.4)        | (34.1)        | (30.8)        | (34.1)        | (33.6)        | (30.4)        |
| Non-current liabilities                    |      | (11.4)        | (10.4)        | (17.8)        | (10.8)        | (10.1)        | (17.2)        |
| <b>Total liabilities</b>                   |      | <b>(45.8)</b> | <b>(44.5)</b> | <b>(48.6)</b> | <b>(44.9)</b> | <b>(43.7)</b> | <b>(47.6)</b> |
| <b>Total net assets</b>                    |      | <b>35.8</b>   | <b>40.3</b>   | <b>31.1</b>   | <b>25.3</b>   | <b>29.3</b>   | <b>21.4</b>   |
| <b>Reserves</b>                            |      |               |               |               |               |               |               |
| Revaluation reserve                        |      | 5.9           | 5.3           | 4.2           | 5.9           | 5.3           | 4.2           |
| Investment revaluation reserve             |      | 1.3           | 2.6           | 1.3           | 1.3           | 2.6           | 1.3           |
| Accumulated fund                           |      | 14.0          | 17.5          | 10.0          | 13.6          | 17.3          | 9.9           |
| Faculties                                  |      | 1.3           | 1.0           | 0.5           | 1.3           | 1.0           | 0.5           |
| Practice regulation <sup>1</sup>           |      | –             | –             | 2.5           | –             | –             | 2.5           |
| Chartered Accountants' Compensation Scheme |      | 3.2           | 3.1           | 3.0           | 3.2           | 3.1           | 3.0           |
| Charitable trusts                          |      | 10.1          | 10.8          | 9.6           | –             | –             | –             |
|  | 3    | <b>35.8</b>   | <b>40.3</b>   | <b>31.1</b>   | <b>25.3</b>   | <b>29.3</b>   | <b>21.4</b>   |

Approved on behalf of the council



**Clive Parritt**, President  
20 March 2012



**Michael Izza**, Chief Executive

<sup>1</sup> From 2010 the former practice regulation reserves have been amalgamated into the accumulated fund.

## Summary statements of cash flows

for the year ended 31 December 2011

|   | Group        |             | ICAEW        |             |
|---|--------------|-------------|--------------|-------------|
|   | 2011         | 2010        | 2011         | 2010        |
|   | £m           | £m          | £m           | £m          |
| Cash generated from operating activities                                | 4.9          | 9.4         | 5.0          | 9.3         |
| Cash outflow on pension liabilities                                     | (6.4)        | (6.2)       | (6.4)        | (6.2)       |
| Cash outflow on AADB (2010: JDS and AADB)                               | (2.9)        | (2.2)       | (2.9)        | (2.2)       |
| Purchase of property, plant and equipment                               | (2.0)        | (1.6)       | (1.9)        | (1.6)       |
| Purchase of intangible assets   | (0.8)        | (1.1)       | (0.8)        | (1.1)       |
| Deferred consideration received   | 0.5          | 1.0         | 0.5          | 1.0         |
| Net purchase of available for sale investments                          | (0.5)        | (0.7)       | (0.6)        | (0.5)       |
| Investment income received  | 2.1          | 1.7         | 1.9          | 1.6         |
| <b>Net (decrease)/increase in cash and cash equivalents in the year</b> | <b>(5.1)</b> | <b>0.3</b>  | <b>(5.2)</b> | <b>0.3</b>  |
| Net cash and cash equivalents at 1 January                              | 10.8         | 10.5        | 10.3         | 10.0        |
| <b>Net cash and cash equivalents at 31 December</b>                     | <b>5.7</b>   | <b>10.8</b> | <b>5.1</b>   | <b>10.3</b> |

## Notes to the summary financial statements

for the year ended 31 December 2011

### 1 Basis of preparation

The summary financial statements have been extracted from ICAEW's full financial statements for the year ended 31 December 2011, 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

|  | 2011        | 2010        | Group       | 2011        | 2010        | ICAEW       |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
|  | £m          | £m          | 2009        | £m          | £m          | 2009        |
|  | £m          | £m          | £m          | £m          | £m          | £m          |
| Carrying amounts                       |             |             |             |             |             |             |
| Property, plant and equipment          | 19.2        | 19.0        | 17.2        | 19.2        | 19.0        | 17.2        |
| Intangible assets                      | 2.6         | 2.7         | 2.4         | 2.6         | 2.7         | 2.4         |
| Investments in associated undertakings | 0.1         | 0.1         | 0.1         | –           | –           | –           |
| Available for sale investments         | 40.4        | 42.0        | 38.3        | 29.9        | 30.8        | 28.2        |
| Deferred consideration receivable      | –           | 0.5         | 1.5         | –           | 0.5         | 1.5         |
| Deferred tax asset                     | 0.2         | 0.2         | 0.6         | 0.2         | 0.2         | 0.6         |
|  | <b>62.5</b> | <b>64.5</b> | <b>60.1</b> | <b>51.9</b> | <b>53.2</b> | <b>49.9</b> |

### 3 Reserves

|   |                     |                                |                  |                         |                   | Group       |
|---|---------------------|--------------------------------|------------------|-------------------------|-------------------|-------------|
|   | Revaluation reserve | Investment revaluation reserve | Accumulated fund | Self-financing reserves | Charitable trusts | Total       |
|   | £m                  | £m                             | £m               | £m                      | £m                | £m          |
| <b>Reserves at 1 January 2011</b>                                     | <b>5.3</b>          | <b>2.6</b>                     | <b>17.5</b>      | <b>4.1</b>              | <b>10.8</b>       | <b>40.3</b> |
| Net result after taxation   | –                   | –                              | 3.7              | 0.6                     | 0.2               | 4.5         |
| Increase in valuation of property, plant and equipment                | 0.6                 | –                              | –                | –                       | –                 | 0.6         |
| Net change in market value of long-term investments over cost         | –                   | (1.9)                          | –                | –                       | (0.6)             | (2.5)       |
| Actuarial losses recognised in year on defined benefit pension scheme | –                   | –                              | (7.2)            | (0.2)                   | (0.3)             | (7.7)       |
| Deferred tax attributable to above                                    | –                   | 0.6                            | –                | –                       | –                 | 0.6         |
| Total comprehensive income/(expense) in the year                      | 0.6                 | (1.3)                          | (3.5)            | 0.4                     | (0.7)             | (4.5)       |
| <b>Reserves at 31 December 2011</b>                                   | <b>5.9</b>          | <b>1.3</b>                     | <b>14.0</b>      | <b>4.5</b>              | <b>10.1</b>       | <b>35.8</b> |

|   |                     |                                |                  |                         |             | ICAEW |
|---|---------------------|--------------------------------|------------------|-------------------------|-------------|-------|
|   | Revaluation reserve | Investment revaluation reserve | Accumulated fund | Self-financing reserves | Total       |       |
|   | £m                  | £m                             | £m               | £m                      | £m          |       |
| <b>Reserves at 1 January 2011</b>                                     | <b>5.3</b>          | <b>2.6</b>                     | <b>17.3</b>      | <b>4.1</b>              | <b>29.3</b> |       |
| Net result after taxation   | –                   | –                              | 3.5              | 0.6                     | 4.1         |       |
| Increase in valuation of property, plant and equipment                | 0.6                 | –                              | –                | –                       | 0.6         |       |
| Net change in market value of long-term investments over cost         | –                   | (1.9)                          | –                | –                       | (1.9)       |       |
| Actuarial losses recognised in year on defined benefit pension scheme | –                   | –                              | (7.2)            | (0.2)                   | (7.4)       |       |
| Deferred tax attributable to above                                    | –                   | 0.6                            | –                | –                       | 0.6         |       |
| Total comprehensive income/(expense) in the year                      | 0.6                 | (1.3)                          | (3.7)            | 0.4                     | (4.0)       |       |
| <b>Reserves at 31 December 2011</b>                                   | <b>5.9</b>          | <b>1.3</b>                     | <b>13.6</b>      | <b>4.5</b>              | <b>25.3</b> |       |

## Summary corporate governance statement

The council has adopted the provisions of section 1 of the UK Corporate Governance Code (June 2010) 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 2011.

## Independent auditor's statement to the members of The Institute of Chartered Accountants in England and Wales

We have examined the summary financial statements of The Institute of Chartered Accountants in England and Wales (ICAEW) for the year ended 31 December 2011, which comprise the summary group income statement, summary ICAEW income statement, summary statements of financial position, summary statements of cash flows and notes to the summary financial statements.

This report is made solely to ICAEW's members, as a body. Our work has been undertaken so that we might state to ICAEW's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than ICAEW and ICAEW'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.

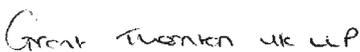
Our responsibility is to report to you our opinion on the consistency of the summary financial statements within the annual review with the full annual report and financial statements.

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.

We conducted our work in accordance with Bulletin 2008/3 *'The Auditors' Statement on the Summary Financial Statement in the United Kingdom'* issued by the Auditing Practices Board. Our report on ICAEW's full annual financial statements describes the basis of our audit opinion on those financial statements.

### Opinion

In our opinion, the summary financial statements are consistent with the full annual financial statements of ICAEW for the year ended 31 December 2011.



**Grant Thornton UK LLP**  
Statutory Auditor  
Chartered Accountants  
London  
20 March 2012

## LIST OF COUNCIL MEMBERS AS AT 31 DECEMBER 2011

NB: THE ATTENDANCE RECORD AT MEETINGS OF COUNCIL IN 2011 IS SHOWN ALONGSIDE EACH MEMBER (ACTUAL/POSSIBLE).

### President

#### Clive Parritt (6/6)

Chairman, Baronsmead VCT 2 plc; DiGiCo Europe Ltd; BG Consulting Group Ltd; Non-executive Director, London & Associated Properties plc and other companies

### Deputy-President

#### Mark Spofforth (6/6)

Partner, Spofforths

### Vice-President

#### Martyn Jones (6/6)

National Audit Technical Partner, Deloitte LLP

#### Paul Aplin (5/6)

Co-opted, member with liaison link to HMRC  
Tax Partner, A C Mole & Sons

#### Jan Babiak (5/6)

Co-opted, senior member in business and sustainability  
Audit Committee Chair, Logica plc and Non-executive Director

#### Malcolm Bacchus (6/6)

Elected, London

#### Andrew Baigent (5/6)

Elected, London  
Director General, National Audit Office

#### Arthur Bailey (4/6)

Elected, Staffs Salop & Wolverhampton Consultant with Begbies Traynor Group and an independent non-executive director

#### Andrew Batty (4/4) <sup>See Note 1</sup>

Elected, London  
Senior Manager, PwC LLP

#### Carl Bayley (6/6)

Elected, Scotland  
Director, Bayley Miller Ltd

#### Tony Bennewith (6/6)

Elected, South Eastern  
Principal, A J Bennewith and Co

#### Penny Bickerstaff (2/6)

Co-opted, Chairman, Member Services Board  
Independent Management Consultant

#### Richard Bint (0/0) <sup>See Note 5</sup>

Co-opted, a senior partner in a Group A firm.

#### Charles Bowman (4/4) <sup>See Note 1</sup>

Ex officio, Chairman, Audit and Assurance Faculty  
Partner, PwC LLP

#### Evie Bowyer (5/6)

Elected, London  
Director, EVB Training Consultancy Ltd

#### Will Brooks (4/4) <sup>See Note 1</sup>

Elected, London  
Managing Director, Eximus Capital Ltd

#### Ray Burton (3/4) <sup>See Note 1</sup>

Elected, West of England  
Chairman, TwentyFifty Ltd

#### Heather Cheesman (5/6)

Elected, South Eastern  
Manager, Spofforths

#### Ian Cherry (5/6)

Elected, North West  
Director, A I Cherry Ltd

#### David Chitty (3/6)

Elected, Croydon & District  
Partner, Crowe Clark Whitehill LLP

#### Edward Chow (6/6)

Co-opted, HKICPA representative  
Chairman, China Infrastructure Group Holdings plc and Chairman, CIG Yangtze Ports plc

#### Michael Colin (3/6)

Elected, Manchester  
Independent Consultant

#### Dennis Cox (3/6)

Elected, London  
CEO, Risk Reward Ltd

#### Jimmy Daboo (3/6)

Elected, London  
Partner, KPMG LLP

#### Feroze Dada (4/6)

Elected, London  
Managing Partner, Crowe Clark Whitehill (London) Ltd

#### Ashish Dave (4/6)

Co-opted, member in the UAE  
Partner & Chief Financial Officer, ABRAA Capital Limited

#### Ian Davies (6/6)

Elected, Southern  
Chairman, The Independent Director Ltd

#### Graham Durgan (3/4) <sup>See Note 1</sup>

Elected, Thames Valley  
Chairman, Emile Woolf (Holdings) Ltd

#### Carla Edgley (2/2) <sup>See Note 2</sup>

Co-opted, Academic  
Lecturer, Cardiff Business School

#### Frank Edwards (6/6)

Elected, South Wales  
Consultant, CODA Business Management Ltd

#### Susan Field (5/6)

Elected, London  
Sole Practitioner

#### Owen Finn (5/6)

Elected, Humberside & District  
Managing Director, Premier Building & Engineering Services UK Ltd

#### Richard Frost (6/6)

Elected, Sheffield & District  
Audit Partner, Hawsons

#### Graeme Gordon (2/6)

Elected, Thames Valley  
Executive Director/CEO, Praxity

#### Bill Graham (5/6)

Elected, Northern  
Consultant

#### Howard Gross (5/6)

Elected, London  
Chief Executive, Gross Klein

#### Martin Hagen (4/6)

Ex officio, Past President  
Non-executive Director, South West Water and Swallowfield plc; Deputy Chairman, Regulatory Decisions Committee, FSA

#### Barrie Harding (6/6)

Elected, South Essex  
Partner, Marsh Hammond & Partners LLP

#### Richard Harwood (5/6)

Elected, Birmingham & W Midlands  
Principal, Harwoods

#### Michael Hawley (6/6)

Elected, Nottingham, Derby & Lincoln  
Lecturer and Consultant, Beeley Hawley & Co Ltd

#### Ian Hayes (6/6)

Elected, London  
European VAT Advisor, Vataxworld Ltd

#### David Heaton (4/4) <sup>See Note 1</sup>

Ex officio, Chairman, Tax Faculty  
Tax Partner, Baker Tilly Tax & Advisory Services LLP

**John Hilton (1/6)** See Note 3

Elected, West of England  
Practice Director, Thring Townsend  
Solicitors

**Marion Hodgkiss (5/6)**

Elected, Liverpool  
Kaplan Financial Ltd

**Philip Hollins (4/6)**

Elected, London

**Alistair Hollows (4/6)**

Elected, Manchester  
Director, IFA Mentor Ltd

**Constantine Ioannou (5/6)**

Elected, London  
Partner, Ioannou & Co and Director of  
various companies

**Peter Jenkins (4/6)**

Elected, London  
Finance Director, The Prince's Regeneration  
Trust

**Jeremy Jennings (2/6)**

Co-opted, member in EU  
Global Director – Regulatory &  
Government Relations, Ernst & Young

**Suwei Jiang (1/6)**

Co-opted, younger member  
Partner, PwC LLP

**Neeraj Kapur (4/6)**

Co-opted, member in financial institution  
Chief Financial Officer, Secure Trust Bank  
plc

**Jim Keeling (1/4)** See Note 1

Ex officio, Chairman, Corporate Finance  
Faculty  
Joint Chairman, Corbett Keeling Ltd

**George Kourris (6/6)**

Co-opted, member in EU  
Partner, Ernst & Young Cyprus Limited

**Maureen Lamburn (4/4)** See Note 1

Elected, Beds, Bucks & Herts  
Partner, Lamburn & Turner, Chartered  
Accountants

**Robin Liddell (6/6)**

Co-opted, member from Northern Society  
Director, RS Liddell Consulting Ltd

**Hilary Lindsay (6/6)**

Elected, Leics & Northants  
Business School Lecturer and E Learning  
Consultant

**Iain Lowson (3/4)** See Note 1

Co-opted, Chairman, Ethics Standards  
Committee  
Head of Audit, BDO LLP

**Ara Martirosian (4/6)**

Elected, South Eastern  
Managing Director, Red IT Solutions Ltd

**Barry Matthews (6/6)**

Elected, Birmingham & W Midlands  
Director, Bissell & Brown Ltd

**David Matthews (6/6)**

Co-opted, senior partner in a Big Four firm  
Partner, KPMG LLP

**David McBride (4/6)**

Elected, London

**Robert Millea (4/6)**

Elected, East Anglian  
Vice Chairman, West Suffolk College and  
South Essex College

**Peter Mitchell (3/6)**

Elected, Beds, Bucks & Herts  
Senior Partner, Peter Mitchell & Co;  
Chairman, Society of Professional  
Accountants

**Sheilagh Moffat (5/6)**

Elected, Birmingham & W Midlands  
Partner, Moffat Gilbert

**Tom Noble (5/5)** See Note 4

Ex officio, ICAEW Student Council Chair  
Assistant Manager, Deloitte LLP

**Nick Parker (6/6)**

Elected, Southern  
Regional Director of Tax, Tenon

**Philip Pawson (4/6)**

Elected, West Yorkshire  
Barrister and Consultant

**Andrew Ratcliffe (6/6)**

Co-opted, Chairman, Technical Strategy  
Board  
Partner, PwC LLP

**Gerald Russell (5/6)**

Ex officio, Past President  
Consultant, Ernst & Young LLP

**Robert Sheffrin (4/6)**

Elected, Manchester  
Compliance Director, Braemar Securities

**Andy Simmonds (4/6)**

Ex officio, Chairman, Financial Reporting  
Faculty  
Accounting Technical Partner, Deloitte LLP

**Philip Smith (3/6)**

Ex officio, Finance and Management  
Faculty representative  
Turnaround Specialist

**Joe Smoczynski (6/6)**

Co-opted, member in EU  
Partner, Baker Tilly Poland

**Christopher Spokes (5/6)**

Elected, East Anglian  
Partner, Bidwells

**Nathan Steinberg (6/6)**

Elected, London  
Partner, Munslovs; Non-executive  
Director, Ambrian Capital plc and  
Longships plc

**Jonathan Teller (5/6)**

Ex officio, Information Technology Faculty  
representative  
Consultant

**John Tiernay (3/6)**

Elected, Liverpool  
Partner, TiernayFedrick

**Peter Tucker (6/6)**

Elected, Beds, Bucks & Herts  
Tax Partner, Dickinsons Chartered  
Accountants

**Paul Wagstaff (6/6)**

Elected, Thames Valley  
Business Development Partner, Dickinsons

**David Walker (6/6)**

Elected, West Yorkshire  
Finance Director, Assurant Intermediary Ltd

**Jatinder Wasu (4/6)**

Elected, London  
Principal, Sterling Hay Chartered  
Accountants

**Jan Weber (3/6)**

Elected, London  
Finance Director, DIAM International

**Fiona Wilkinson (6/6)**

Elected, South Western  
Principal, Fiona Wilkinson

## Notes

- 1 Elected/appointed with effect from 7 June 2011
- 2 Appointed with effect from 7 July 2011
- 3 Resigned with effect from 7 March 2012
- 4 Elected with effect from 1 April 2011
- 5 Council appointed Richard Bint as a co-opted member at its meeting on 7 December 2011.

## The following were also members of council during the year 2011

Retired with effect from 1 April 2011

### **Richard Hopkins-Burton (0/1)**

Ex officio, ICAEW Student Council Chair  
Executive, Corporate Finance, Deloitte LLP

Retired with effect from 7 June 2011

### **Michael Arnold (0/2)**

Elected, South Eastern  
Consultant

### **John Ball (2/2)**

Elected, Nottingham, Derby and Lincoln  
Director, JB Professional Services Ltd

### **Mark Barnish (2/2)**

Elected, Staffs, Salop and Wolverhampton  
Consultant

### **John Collier (1/2)**

Elected, London  
Director, Clive & Stokes International  
Executive Search

### **Nick Cudmore (2/2)**

Elected, Humberside & District  
Partner, Duncan & Toplis

### **Christopher Heaton (0/2)**

Elected, Sheffield & District  
Managing Director, OSL Automotive Ltd  
and CHCT Ltd

### **Nigel Hughes (2/2)**

Elected, Beds Bucks and Herts  
Managing Director, Totteridge Associates  
Ltd

### **Chris Humphrey (2/2)**

Co-opted, academic  
Professor of Accounting (MAFG)  
Manchester Business School

### **Stephen Huyton (1/2)**

Co-opted, member in the EU  
Financial Director, Thermopatch bv

### **Alan Livesey (2/2)**

Elected, Scotland  
Managing Director, D.A.T.A. Services Ltd

### **Andrew Lovelady (1/2)**

Elected, Liverpool  
Group Finance Director, Ethel Austin  
Property Group

### **Cameron Maxwell (1/2)**

Elected, South Essex  
Consultant, Avesco Group plc

### **Roger Merchant (2/2)**

Elected, Leics and Northants  
Partner, PKF (UK) LLP

### **Alfred Morris CBE (1/2)**

Elected, West of England  
Vice-Chancellor, London Metropolitan  
University

### **Gerry Murphy (1/2)**

Ex officio, Chairman, Audit & Assurance  
Faculty

### **Michael Pavia (1/2)**

Co-opted, senior member in business  
Non-executive Director, British Nuclear  
Fuels plc, Thames Water plc, Telecomm  
Plus plc, Salamander Energy plc, ACA and  
Elizabeth Finn Care

### **Chris Sanger (0/2)**

Ex officio, Chairman, Tax Faculty  
Tax Partner, Ernst & Young LLP

### **Ann Shaw (0/2)**

Elected, North West  
Managing Director, Parkfoot Holiday  
Homes Ltd

### **Elizabeth Stanton (0/2)**

Elected, London  
Partner, Ernst & Young LLP

### **Mike Sturgess (2/2)**

Elected, South Western  
Managing Director, Swat UK Ltd

### **Eric Wiles (2/2)**

Elected, Birmingham & W Midlands  
Director, Corporate Finance, Eversholt Rail  
(UK) Ltd

### **Alan Wintersgill (1/2)**

Elected, West Yorkshire  
Senior Partner, Naylor Wintersgill

Retired with effect from 8 June 2011

### **Caroline Al-Beyerty (3/3)**

Observer member as CIPFA's representative  
Head of Audit Practice, Audit Commission

Resigned with effect from 5 October 2011

### **David Evans (0/5)**

Co-opted, a senior partner of an  
international Group A firm  
UK Senior Partner, Mazars LLP

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