

ICAEW



SHAPING THE AGENDA

ANNUAL REVIEW 2009



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AND CHIEF EXECUTIVE
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FOREWORD FROM THE PRESIDENT AND CHIEF EXECUTIVE



'GLOBAL ECONOMIC
RECOVERY DEPENDS ON A RETURN
TO CONFIDENCE WHICH IN TURN
DEPENDS ON TRUST'

2009 has been a difficult year for the global economy. Trading conditions have been exceptionally challenging. It is not yet clear whether we have reached the tipping point between crisis and recovery. Uncertainty has been a constant factor.

Despite a coordinated response to the financial crisis under the UK chairmanship of the G20, it is clear that many economies remain fragile and prey to the aftershocks of what has been an exceptional cycle of events.

Global economic recovery depends on a return to confidence in the information on which decisions are being made. Our members have a key role to play in providing and interpreting this information, and making recommendations based on their integrity and professional judgement.

The advice and support provided by chartered accountants during the course of 2009 made a tangible difference to countless individual organisations as well as to our economic recovery as a whole. As their professional body, ICAEW provides the leadership and support our members need to be able to do this to the highest standards.

In 2009 we have delivered against a challenging economic backdrop. In doing so we have benefited from the unfailing support of our council, district societies and active members as well as the dedication and commitment of our staff.

Over the next few pages you can read about what we have achieved.

Martin Hagen
President
ICAEW

Michael Izza
Chief Executive
ICAEW

WHO WE ARE AND WHAT WE DO

‘OUR GREATEST STRENGTH IS OUR MEMBERS, CHARTERED ACCOUNTANTS, WHO LEAD AND ADVISE ORGANISATIONS OF ALL SIZES ACROSS EVERY ECONOMIC SECTOR’

ICAEW is a world-leading professional accountancy body. We were established by a group of forward thinking Victorians in 1880. Many of these individuals were also the founding fathers of the global professional service firms as you can discover if you read the list of our past presidents on the walls of our headquarters, in the City of London. Over the last 129 years we have grown in size and reach and currently represent more than 134,000 members in over 160 countries.

We exist to provide a gateway into the profession by offering qualifications that enable people of ability from all backgrounds to train and qualify as finance professionals.

We provide leadership, representation and support to our members and ensure high standards are maintained across the profession. In doing so we help build trust and confidence in economic activity at all levels.

ICAEW was established by Royal Charter as a public interest body. That means that we have a statutory obligation to act with integrity, to do the right thing. For example, in 2009 we worked with the Government on the appointment of valuers for a number of the financial entities that had come into state ownership. We worked with the Financial Reporting Council (FRC) to ensure an increase in going concern qualifications did not become a systemic problem. We also extended our financial capability initiative into one of Britain’s most deprived communities to help tackle social exclusion. This public interest role is not always easy but it is what enables us to be a trusted partner of governments and regulators as well as a source of impartial expertise on behalf of the profession and business both in the UK and internationally.

Our greatest strength is our members, chartered accountants, who lead and advise organisations of all sizes across every economic sector. Our ability to draw on their expertise is what enables us to comment, contribute and influence – whether we are providing advice to UK Government on the lending environment for SMEs, working with the World Bank on capacity building, or commenting on economic confidence.

In turn, our members rely on us to provide them with the professional development and support they need to provide the very best possible advice to the organisations they advise and run.

Together we help build confidence.

ACHIEVING OUR AIMS



In 2009 we focused on increasing our reputation and influence, providing premium qualifications and services and member support - delivered through partnerships and international growth.

Building on our leadership position in the UK our 10-year strategy focused on helping us become a body capable of representing and supporting an increasingly global profession.

In 2009 we set ourselves eight key objectives to help us deliver our strategy:

- Provide premium qualifications and development for our members as well as wider business leaders.
- Grow the organisation across established and new markets.
- Lead the debate on issues.
- Assist members in a tough economic environment.
- Build our international presence and standing.
- Increase the visibility of the ICAEW brand.
- Embrace new technology.
- Drive cultural change across ICAEW.

We had a successful year in the face of significant economic adversity. What follows is not an exhaustive list of all we achieved but a series of snapshots of the activity we have undertaken.

'THE FINANCIAL REPORTING FACULTY WAS ESTABLISHED
TO ENABLE US TO CONSOLIDATE OUR ACTIVITY AND
EXERCISE A STRONGER VOICE
ON ONE OF THE MOST SIGNIFICANT DEBATES TO ARISE
FROM THE FINANCIAL CRISIS – **THE FUTURE**
OF CORPORATE REPORTING'



2009 – A YEAR IN REVIEW

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DEBATE LEADERS

In **January** ICAEW appeared before the UK Treasury Select Committee as part of its Parliamentary enquiry into the financial crisis. In our written and oral evidence we argued that chartered accountants have a key role to play in helping restore economic confidence through the provision of high quality financial information. We also suggested that closer dialogue between the major audit firms and the Financial Services Authority could help mitigate the risk of systemic market failure. The committee welcomed this suggestion in its subsequent report which we are now taking forward with the regulator.

The Leader of the Opposition the Rt Hon. David Cameron MP and the Shadow Chancellor, George Osborne MP launched their public sector financial management proposals at Chartered Accountants' Hall. We have a long track record of working with all the major political parties in the interests of good policy-making. We do not come to the table with an axe to grind which means we are well placed to convene this kind of debate.

Our library team undertook a major piece of research on the contribution the profession makes to GDP on behalf of UK Government and the Corporation of London. The research, which was published as part of a larger report on UK competitiveness, identified that the profession contributes 1.4% to GVA and £2.46bn to UK exports each year. We also launched the first of a quarterly series of regional anecdotal insights from our members on the impact of the economic downturn.

Once again ICAEW was the only professional accountancy body to be represented at the World Economic Forum in Davos. This provides an opportunity to engage with an international group of political and business leaders and a platform on which to promote the increasing importance of the profession to the world economy.

As the financial crisis continued to bite, our president wrote to every member impressing on them the need to show leadership and integrity in the face of the prevailing economic storm.

We played host to a major European conference on the ownership and control of audit firms and launched our Financial Reporting Faculty. The faculty was established to enable us to consolidate our activity in this area and exercise a stronger voice on what, during the course of the year, has become one of the most significant debates to arise from the financial crisis – the future of corporate reporting.

PUBLIC INTEREST

In **February** HM Treasury invited our chief executive to chair a government-appointed committee tasked with making a recommendation to the Chancellor on a valuer for Bradford and Bingley. This role was not without reputational risk - in coming to a decision we needed to identify how to serve the many competing priorities of stakeholders. It did underscore the important public interest role of ICAEW.

In the run up to the G20 summit of leading nations we made a policy submission to the heads of government of each of these nations calling for a renewed focus on sustainability. We also argued for the swift implementation of International Financial Reporting Standards (IFRS). Our proposals were presented to the UK Government at a major symposium jointly convened with the Fabian Society and were also the subject of an international policy summit we hosted. The debate over these standards continues to gather pace as both Europe and the US come to terms with the implications of convergence.

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Working with our regional teams and district societies we rolled out a series of career clinics across the UK to provide practical help and support to members affected by the economic crisis. We also launched *8 Strategies for Surviving the Downturn* giving practical advice to small businesses on the steps they should take to weather the storm.

Our Corporate Finance Faculty hosted a seminar looking at management buyouts in the adverse economic climate. Our annual Practice Society conference provided an opportunity to hear the views of our many small and medium size practitioners. These members provide frontline business support to small and medium size companies and their views provide an important barometer for policy development in this area.

We used a breakfast event in the House of Commons to launch our Q1 *Business Confidence Monitor* which, perhaps unsurprisingly, showed the seventh consecutive quarterly decline in business confidence – the longest dip since the survey began in 2001.

Despite the economic gloom we continued to focus on our strategy with the appointment of our first regional director for the South East Asia Region. We hosted a successful F-Ten workshop, our initiative to provide mentoring to high flyers in the early stages of their career, the first of many throughout the year. We also chaired the annual London Stock Exchange conference on corporate governance, an issue that continued to come under scrutiny by policy-makers.

For the first time ICAEW was recognised in the list of UK Business Superbrands, a key survey of leading business brands and an independent benchmark of all the work we have undertaken in recent years to build the profile and reputation of the organisation.

MEMBER SUPPORT

In **March** our International Student Council welcomed Russian trainees to their AGM for the first time. We currently have 124 student members in Russia as well as 396 in China. We also exceeded our Q1 targets for our IFRS training materials, reflecting our ability to align ICAEW expertise with local market need.

During what has been a challenging year for the International Accounting Standards Board (IASB) - which responded well to political pressure in both Europe and the US to modify a number of its standards to mitigate the impact of the credit crunch – we sought to build support for IFRS which was identified as a key G20 priority.

Closer to home, we launched a new shopping cart service on our website and continued to develop our various online communities. As we grow internationally, how we use technology to interact with our members will become increasingly important. We are determined to make the investment necessary to ensure that ICAEW is capable of using IT to best advantage.

We were given a more optimistic analysis of the state of the economy by the managing partners of the Group A firms – those accounting practices immediately below the largest six partnerships. This kind of insight proved invaluable in briefing both UK Treasury ministers and the Shadow Chief Secretary.

‘AS WE GROW INTERNATIONALLY,
HOW WE USE TECHNOLOGY TO
INTERACT WITH OUR MEMBERS
WILL BECOME INCREASINGLY IMPORTANT.’



ECONOMIC INSIGHT

In **April** we led a delegation consisting of representatives from the 100 Group of Finance Directors, the Association of British Insurers and the audit profession, to brief the Business Secretary, Lord Mandelson. The main focus of this delegation was to brief the Minister on business issues arising from the financial crisis, present research findings on Going Concern and request that the UK Government provide assurance to the market that these issues should be looked at pragmatically within the context of the financial crisis.

The meeting also resulted in a request to undertake independent research on the lending environment for small and medium size enterprise. The subsequent work we undertook with MORI was used to brief the Government Chief Economist as well as the Number 10 Policy Unit and provided the evidence base for subsequent decision making in this area.

Despite the difficult economic conditions, at the end of Q1, paid up members of our various special interest groups - which provide members with networking and support in areas such as forensic accounting, media and the charity and voluntary sector - were up by 7.5% on our 2008 figures with faculty membership also holding up well.

As part of our drive to use partnerships to accelerate our strategy we signed a formal agreement with the cebr, an economics house, to provide tailored content, intelligence and support to our members and our thought leadership and public policy activity. This partnership is already bearing fruit in terms of our Budget and pre-Budget Report analysis. We have also introduced a monthly economic briefing which you can find on our website.

In the face of growing debate over the role of mark to market accounting, we made a formal submission to the Securities and Exchange Commission on the need for the US to provide leadership in moving towards mandatory IFRS reporting. Our sense is that while the regulator understands the strategic importance of adoption, other more pressing short-term domestic priorities are taking precedence.

April also brought to a close our negotiations with the FRC over the introduction of their revised Accountancy and Actuarial Disciplinary Board (AADB) scheme. ICAEW is supportive of the scheme which provides an independent means of ensuring public interest cases are dealt with in a way that commands confidence. Nonetheless we had a number of reservations about the proposals which we felt would undermine public confidence. We worked hard with the AADB so that the revised scheme is now fit for purpose.

While we were broadly on track to meet the majority of our targets at the end of Q1, our jobs portal, icaewjobs.com, was down on job numbers reflecting the wider economic malaise. Nonetheless in the short time we have run this service it has become the third largest site in this market.

INTERNATIONAL GROWTH

In **May** we held the formal launch of our South East Asia Region with events in Singapore and Malaysia. This included a graduation ceremony for newly-qualified ACAs, attended by over 420 people including the Malaysian Prime Minister's son who was among those who qualified with us. The staff based in the region provide an important local focus for ICAEW and will enable us to support the increasing number of our members working in the region.

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ICAEW participated in the World Business Summit on Climate Change in Copenhagen as well as chairing a meeting arranged by the Climate Disclosure Standards Board. We also agreed a three-year deal to sponsor an annual corporate responsibility award through the National Business Awards programme. Our work in this area has increased significantly over recent years; you can read more about this later in this *Review*.

We launched our European election manifesto and held a series of hustings events up and down the UK with the Law Society and the Royal Institution of Chartered Surveyors to engage with prospective MEPs.

Our Audit Quality Forum (AQF) published *Changes in Financial Reporting and Audit Practice*, the final report in the Evolution series we have been working on which can be accessed via our website. The AQF continues to provide an important platform on which market participants can come together and consider the issues and challenges facing all those in the financial reporting chain.

Our Corporate Finance Faculty convened separate events on Islamic finance and the challenges facing clean tech companies in the current environment. As part of our ongoing SME activity we partnered with the think tank Business for New Europe on a roundtable on 'Thinking Small First in the Downturn'. The outputs from these have been fed into our SME representations to government.

INTERNATIONAL OUTLOOK

In **June** we were awarded a World Bank contract to twin with the Botswana Institute of Accountants. This project is similar to an earlier one undertaken for the Bangladesh Government and represents an important step forward in our capacity-building activity. Our aim is to help establish the profession in developing economies, so that they benefit from the inward investment and increased economic activity that trust and confidence in their financial systems can bring.

Following the successful appointment of a valuer for the Bradford and Bingley Building Society, the UK Treasury asked ICAEW to chair a panel tasked with the appointment of a valuer for the Dunfermline Building Society. Again this was something we agreed to do as part of our broader public interest role.

We hosted a roundtable breakfast as part of a Cabinet Office-led initiative aimed at encouraging greater access to the professions. The event focused on how the accounting sector can play its part in improving social mobility and increased access to the professions. We have since been asked to represent the accounting profession on a Government-sponsored committee to take our thinking forward.

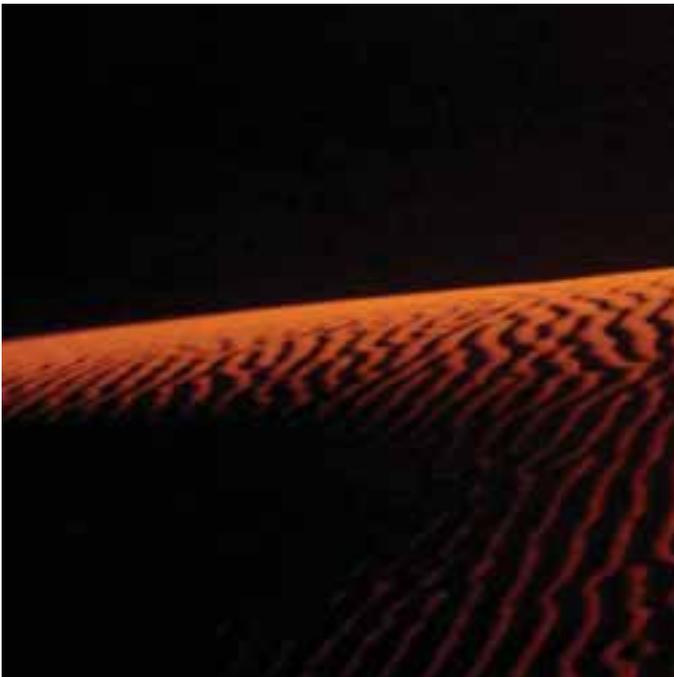
'THE AQF CONTINUES TO PROVIDE AN IMPORTANT PLATFORM ON WHICH MARKET PARTICIPANTS CAN COME TOGETHER AND CONSIDER THE ISSUES AND CHALLENGES FACING ALL THOSE IN THE FINANCIAL REPORTING CHAIN'



Over recent years we have increased our level of activity in the charitable and voluntary sector with the introduction of a qualification and a special interest group aimed at this sector. In June we held a charities evening at Chartered Accountants' Hall to celebrate the significant amount of work our members put into charity and voluntary work on a pro bono basis through our Everybody Counts initiative as well as to celebrate the success of our Charity Diploma award winners.

We published research on the attitudes of FTSE 350 audit committee chairs to audit partner rotation which you can find on our website. This research was undertaken to gauge business support for a move from five to seven years and was submitted to the Auditing Practices Board as part of their consultation in this area. We also held a debate on the role of the auditor in systemic risk management as part of the work of the AQF.

For the first time ICAEW was a finalist in the Marketing Society's 2009 Excellence Awards.



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TOWARDS A SUSTAINABLE PROFESSION

In **July** we hosted a two-day summit of the International Federation of Accountants to discuss the contribution of the global profession to the G20 agenda. The summit was attended by the CEOs of over 30 of the major accounting institutes and included a keynote address from Rt Hon. Stephen Timms MP, the UK Government Minister leading on G20 issues.

We appointed a director for the Middle East with a brief to establish an ICAEW presence in the region as part of our broader international ambition. As well as focusing on commercial opportunities in the region she has begun to align us with the regulatory community in Dubai with a view to ICAEW sharing best practice with our stakeholders in the Gulf.

Meetings were convened in the US with officials on a range of business issues arising from the credit crunch including the need for early adoption of IFRS. While ICAEW does not have a physical presence in Washington, we are still well received as an informed commentator and interlocutor on professional issues. We also participated in the annual meeting of the American Accounting Association in New York where we helped organise a number of high-profile panel sessions. We will continue to develop these relationships as the debate over the reform of the global financial architecture continues.

SCHOLARSHIPS AND RESEARCH

In **August** we launched our second consultation paper on an Audit Firm Governance Code for firms that audit FTSE listed entities. This project, which was led by Norman Murray, Chairman of Cairn Energy, evolved from a request from the FRC that we work on a governance code for these firms and has involved extensive consultation with market participants on the shape and value of such a code. Governance reform has been a key issue during 2009 with the profession leading the reform agenda. Due in no small part to the efforts of the major firms, the code was launched in January 2010 and included a range of measures including the appointment of independent non-executives on a comply or explain basis.

We published *Instilling Integrity in Organisations* as part of our Market Foundations thought leadership programme and hosted the annual Wyman lecture which this year was entitled 'If taxes have to rise, which goose should be plucked first?'

Pledges and donations to the ICAEW Foundation passed the £2m mark with the Foundation now actively sponsoring scholarships and research including bursaries at the London School of Economics and Nottingham University.

WE PUBLISHED A JOINT REPORT WITH
THE ENVIRONMENT AGENCY ON
ENVIRONMENTAL ISSUES
AND ANNUAL FINANCIAL REPORTING AS PART
OF OUR **SUSTAINABLE BUSINESS**
THOUGHT LEADERSHIP PROGRAMME.



SUSTAINABLE BUSINESS

In **September**, following support from members to amend our bye-laws, the Privy Council formally approved our application to move to electronic member communications as a default option unless members expressly request otherwise. This move will improve efficiencies, reduce our overheads as well as having a positive environmental benefit.

Liberal Democrat Shadow Chancellor Vince Cable MP launched his public sector reform proposals at an ICAEW breakfast event which gave members the opportunity to question the Liberal Democrats on their economic reform plans.

Our Northern Region held a joint event with the Institute of Directors at which Mervyn King, Governor of the Bank of England was guest speaker. Similar briefings by members of the MPC were held across the UK during the course of the year.

We published a joint report with the Environment Agency on environmental issues and annual financial reporting as part of our Sustainable Business thought leadership programme.

We also published our UK manifesto, *Going for Growth*, which contained a number of public policy proposals around the economic reform agenda which we will be encouraging all political parties to adopt in the run up to the 2010 UK elections. The manifesto provided the content for our representations at all three party conferences where we met with government and opposition spokespeople as well as other MPs with an interest in our sector.

Following a number of productive discussions with the Greek Oversight Body for Accountancy (ELTE) we began a consultancy project aimed at sharing best practice with the ELTE on the effective oversight of Greek auditing firms responsible for the listed company sector.

OUR APPROACH

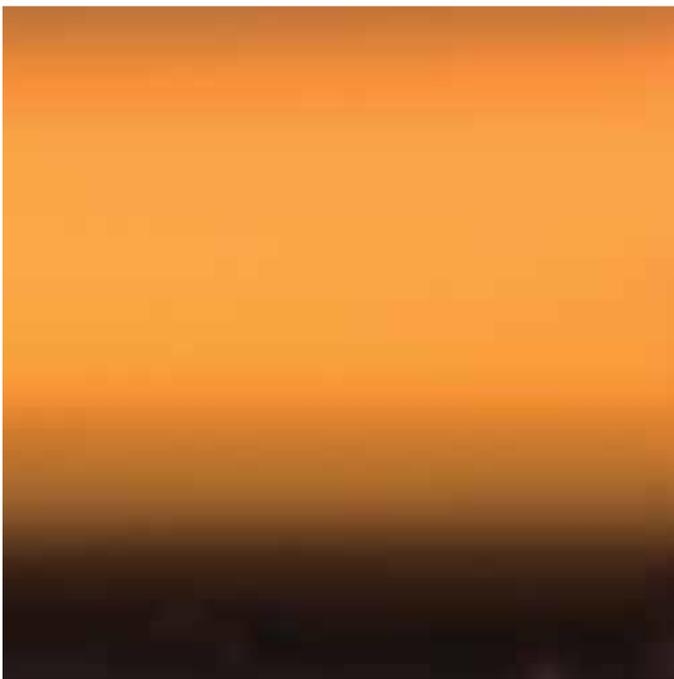
In **October** we launched our autumn marketing campaign 'Qualified to Succeed' to promote the value of the ACA with a series of posters and advertisements across the major broadsheets including the *FT* and *The Times* as well as prominent sites across the London Underground and at City Airport. The themes of the campaign were the benefits of training to be an ACA and employing our members.

We also launched our new forensic witness accreditation programme which provides formal training and accreditation to forensic accountants required to act as expert witnesses in criminal and civil proceedings.

In Singapore, on the back of a sustained nine month marketing campaign, ACA student numbers increased by 154% with positive feedback from both employers and students. Our strategy is about attracting and then supporting the best into the profession rather than high volume and we are also now actively growing our student base on this basis.

ICAEW gave evidence to the Treasury Select Committee as part of their enquiry into Women in the City, stressing that more needed to be done to encourage women into the boardroom.

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Responding to growing demands from government and the development sector on the need for transparent country-by-country financial reporting, we hosted a breakfast which brought together ministerial special advisers, NGOs and the FDs of leading multi-national companies to discuss the practicalities of reporting at subsidiary level. This issue has risen up the political agenda in recent months and we have embarked on a sustained programme of outreach to try and forge consensus on the best way forward.

In response to consultation by the FRC, the ICAEW Foundation published a major piece of research on corporate governance, *Getting it Right*. The research concluded that while the current risk management regime for listed companies outside the financial services sector was broadly fit for purpose, organisations needed to do more to embed this regime.

As part of a late stage in the World Bank-funded capacity building project in Bangladesh, we signed a Memorandum of Understanding with the Institute of Chartered Accountants of Bangladesh

We were also invited to share a platform with the World Bank and the Chinese Finance Ministry at a major event on the future of the profession in Beijing.

PARTNERSHIP

In **November** ICAEW was asked to chair a working group set up by the French Government on behalf of the Group of Leading Nations to explore the practical aspects of a levy on foreign exchange transactions. The group will explore the workability of such a tax and report in the spring of 2010. The proposal itself has generated divided opinion among market participants with questions remaining over the political will needed to implement such a scheme.

Chinese Vice-Finance Minister Dr Wang Jun came to our UK headquarters to accept honorary membership of ICAEW and further cement relations between the UK and Chinese professions.

We met with the Social Mobility Foundation, a government-funded body which aims to get work placements and internships across the major professions for young people from disadvantaged communities. Dialogue is continuing and will form an important aspect of our access to the professions work.

Our pre-Budget Report submission focused on rebuilding UK competitiveness and public sector spending reform and included recommendations on tax simplification, VAT and National Insurance. David Hartnett, Permanent Secretary at HMRC, delivered the annual Hardman lecture at ICAEW at which a number of these issues were discussed.



ROBUST FINANCIAL MANAGEMENT

In **December** ICAEW was the only UK-headquartered accountancy body to attend the climate change summit in Copenhagen where we delivered a major presentation on carbon disclosure reporting as part of our Information for Better Markets programme.

Following the successful recruitment of our director for the Middle East we formally opened our Middle East office in Dubai. The office will focus on promoting our qualifications and services in the region and will target ACA training across the financial services sector.

Extensive media coverage was generated around our response to the pre-Budget Report where we argued that the Government needed to ensure tighter financial management across Whitehall.

Our chief executive met with officials at 10 Downing Street to discuss the financial crisis and explore the possibility of an international financial transaction levy to help invest in sustainable economic recovery.

ICAEW launched *Beyond Accounting – the impact of sustainability reporting*, in collaboration with Tomorrow's Company. The report summarises the sustainability reporting frameworks and guidelines that have been developed around the world, what they are trying to achieve, and the issues which need to be considered to assess their lasting impact on business decisions and society.

In December, the Financial Reporting Faculty published *Developments in new Reporting Models* a major report in the Information for Better Markets campaign which argued that business reporting is a social institution that continually evolves in response to changes in its environment and that evolution – not revolution – is the right approach.

At our fifth annual Information for Better Markets conference, ICAEW also awarded honorary membership to Stephen A Zeff, Herbert S Autrey Professor of Accounting at Rice University, for his outstanding contribution to the field of accountancy.

'IN DECEMBER ICAEW WAS THE ONLY UK-HEADQUARTERED ACCOUNTANCY BODY TO ATTEND THE **CLIMATE CHANGE SUMMIT** IN COPENHAGEN WHERE WE DELIVERED A **MAJOR PRESENTATION ON CARBON DISCLOSURE REPORTING**'

STRATEGY 2010

'WE HAVE SOUGHT TO ENSURE THAT
ALL VOICES ARE HEARD AND THAT WE
DO NOT SHY AWAY FROM THE DIFFICULT DISCUSSIONS,
CHALLENGING CONVENTIONAL THINKING'

Our international growth

International growth is a key part of our strategy. It has to be. Our members are now working in over 160 different countries. The convergence of accounting and auditing standards across the major capital markets has brought the world closer together. Increasingly we are being asked to support the development of the profession across developing economies. 70% of our UK members now have some form of business interest beyond UK shores. As the recent financial crisis has demonstrated, market regulation is now being determined at an inter-governmental level.

Our international strategy has a number of distinct elements. We are establishing offices in new territories such as South East Asia and the Middle East where we can marry our expertise with local market need and take advantage of commercial opportunities as these arise.

We are in dialogue with governments and regulators on an increasingly international footing as the policy debate evolves in this direction. We are working with organisations like the World Bank and the OECD to encourage and promote transparency and accountability across developing economies. And we are actively seeking international partnerships such as the Global Accounting Alliance to give us the scale to deliver where we cannot on existing resource alone.

While the vast majority of our activity continues to focus on the UK, our home market, we must be at the forefront of the growth of the international profession if we are to maintain our leadership position over the long term.

Sustainability

We believe that sustainability is central to long-term business success and so throughout the year it has continued to be at the heart of our activities.

We have had a busy year in our thought leadership programme, Sustainable Business. We have sought to ensure that all voices are heard and that we do not shy away from the difficult discussions, challenging conventional thinking. We have also ensured that members' interests are served by developing useful and relevant guidance and events.

In its own activities ICAEW takes its responsibility seriously. It is right that ICAEW minimises its negative impact on the environment, driving out waste and carbon, improving efficiency levels and influencing others.

In addition we understand we have an opportunity to build capacity in our local communities both in the UK and internationally. We continue our Financial Literacy initiative and our work in London's East End with the Poplar Housing and Regeneration Community Association and Grant Thornton UK LLP. Internationally we continue to work in Bangladesh and Africa.

We will continue to be a loud voice in sustainability, we will be ambitious in minimising our negative environmental impact and we will develop further financial capability activities.



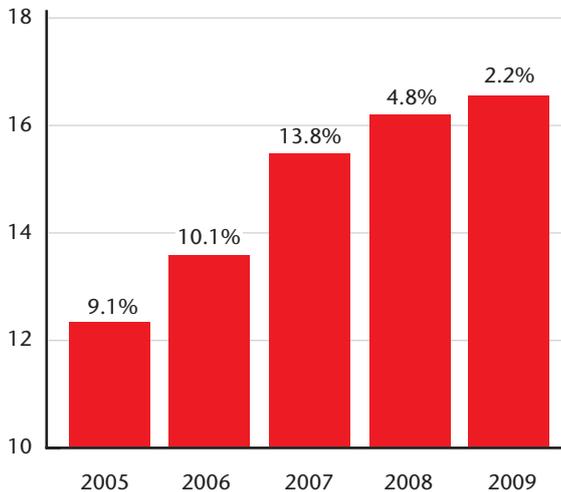
Investment

In 2010 we have budgeted for a controlled deficit of £1.5m. We are in a good position financially to take advantage of the upturn - this deficit will apply some of the £7.0m of surplus we have accumulated in recent years in order to accelerate the delivery of our strategy.

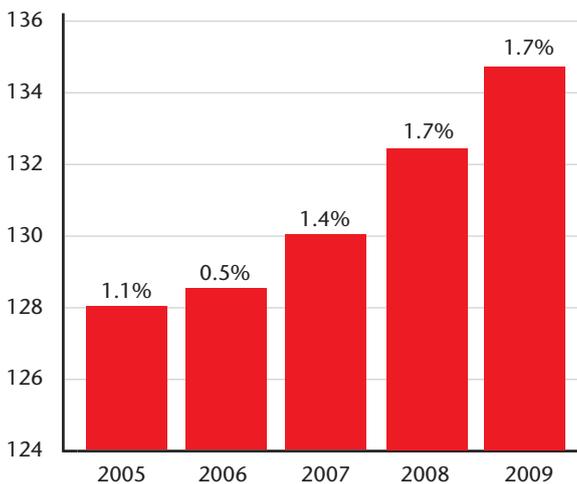
In particular, we will use this money to further develop our profile and standing as a world leader of the accounting and finance profession both in the UK and internationally. Strategy accelerators will include additional investment in our qualifications and services to members as well as business development opportunities across new and existing markets to ensure we take advantage of the opportunities economic recovery brings.

FINANCIAL REVIEW

Student growth ('000)



Membership growth ('000)



Results

The financial statements for 2009 include the four charitable trusts together with our international subsidiaries. The commentary below relates primarily to the operating activities of ICAEW.

2009 was a challenging year. At the outset it was clear that many of our commercial income targets were optimistic in light of the significant economic downturn that started at the end of 2008. In addition it became apparent that the investment income assumptions in the budget, based mainly on the interest income generated by the significant monies in certificates of deposit, were also going to be overly ambitious given the sharp reduction in the Bank of England base rate. So we took immediate action in January 2009 on three fronts. First was the decision to freeze pay, second was the announcement of a vacancy freeze with the exception of strategic business-critical roles and third was a deep procurement review. As a result of these three key actions 2009 turned out to be a year when ICAEW made significant progress in its main strategic objectives at the same time as controlling its finances in the face of a difficult financial environment.

Total income of £73.7m was flat compared to 2008. The retained surplus after taxation for the year was £0.7m (2008: £0.2m). This included an operating surplus (before funding of the Joint Disciplinary Scheme (JDS)) of £0.8m (2008: £0.3m).

Net assets at 31 December 2009 were £21.4m (2008: £28.8m, 2007: £29.6m). The Staff Pensions Fund liability was £14.2m (2008: £8.6m, 2007: £15.9m). Cash and cash equivalents ended the year at £10.0m (2008: £8.7m, 2007: £9.3m). Including restricted and non-restricted available for sale investments, cash and investments total £38.2m (2008: £34.8m, 2007: £35.4m). The net increase in cash and cash equivalents in 2009 was £1.3m (2008: £0.6m decrease).

The consolidated outcome for the year, including the results of ICAEW's charitable trusts, was a surplus after tax of £1.1m (2008: £0.2m).

Student and membership numbers

2009 was the first full calendar year of the wider economic downturn which provided a particularly challenging environment for the recruitment of students. Nevertheless, we achieved student intake of 4,854 (2008: 5,104). Of this intake 22.0% were based internationally (2008: 13.3%). Total student numbers were 16,517 (2008: 16,165) of which 14.0% were based internationally (2008: 9.9%).

Our membership grew by 1.7% to 134,698, from admissions of newly-qualified students to membership, together with reciprocal and similar arrangements with members of other institutes. Growth in membership was further helped by a decrease in the levels of resignations and ceased memberships, which dropped to their lowest levels in 21 years.

Income

The main source of revenue is from members' fees and subscriptions, which made up 47.2% (2008: 45.0%) of total revenue. Fees and subscriptions income rose by 5.1% to £34.8m (2008: £33.1m). This included the effects of a 4.0% increase in the main subscription rate.

Income in areas outside of core fees and subscriptions reduced by 4.1% (2008: increased by 8.0%) reflecting the difficult economic climate.

Income from students and other qualifications, including ACA, International Financial Reporting Standards (IFRS), Corporate Finance and the Diploma in Charity Accounting was flat at £11.8m.

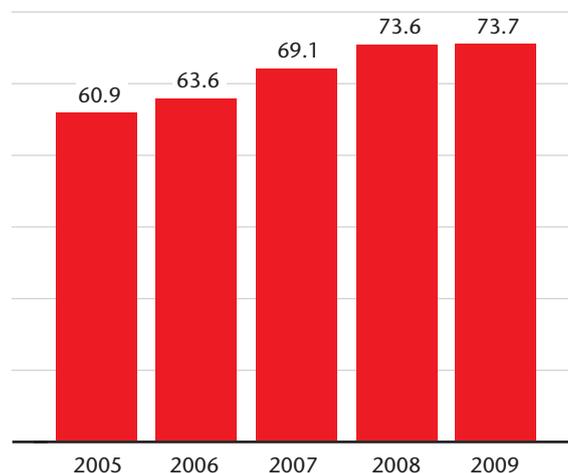
Income from practice regulation and faculties continued to grow (up by 5.6% to £18.7m) mainly as a result of the ongoing increase in admission and subscription fees generated by new affiliates from the European operations of two major firms. Faculty and technical-related income increased to £3.8m (2008: £3.6m).

Income from subscription-based services, sponsorship of ICAEW events and publications, commercial activities and consultancy work reduced by 8.9% to £5.1m (2008: £5.6m). Revenues from commercial initiatives such as sponsorship, advertising, affinity products and the recruitment portal were flat. Although sponsorship revenues declined in 2009, this was largely compensated for by increases in advertising, the recruitment portal and other revenues.

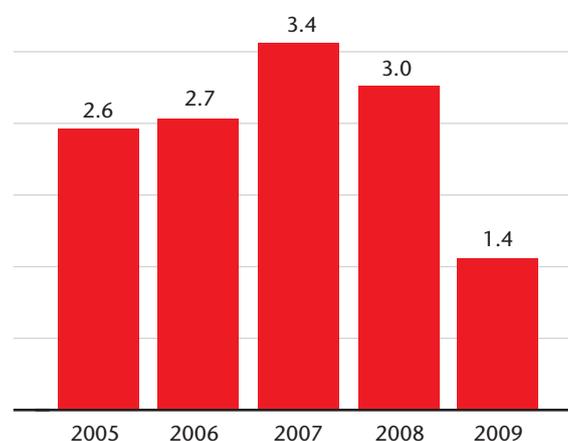
Investment income was impacted by the reduction in Bank of England base rates in early 2009 and declined 53.3% to £1.4m (2008: £3.0m). Further information on the management of our investments is included in the financial position and cash flow section later on.

Income summary	2009	2008
	£m	£m
Fees and subscriptions	34.8	33.1
Students and other qualifications	11.8	11.8
Practice regulation and faculties	18.7	17.7
Subscription-based services and commercial income	5.1	5.6
Investment and equity portfolio	1.4	3.0
Licence fees from Wolters Kluwer	1.9	1.9
External bodies	-	0.5
	73.7	73.6

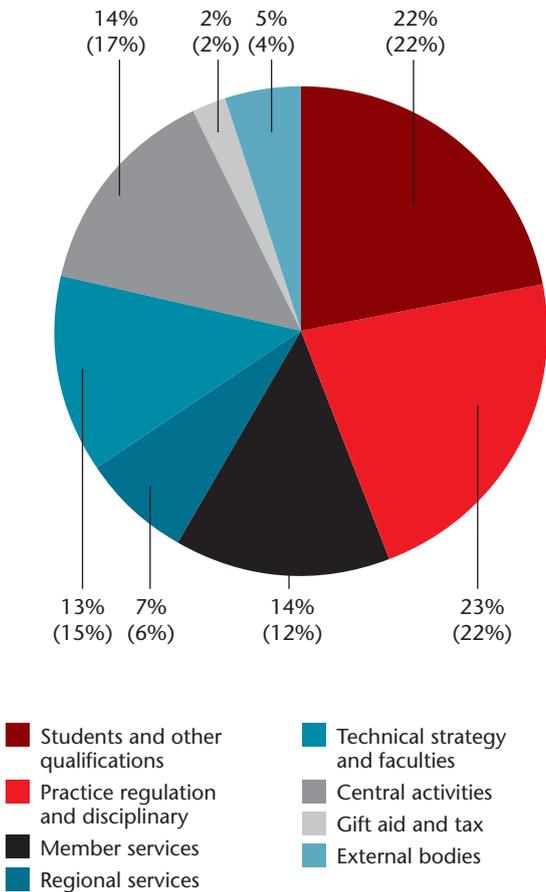
Income growth (£m)



Investment income (£m)



Total expenditure 2009 (2008)



Expenditure

Total expenditure decreased by 0.5% to £73.0m (2008: £73.4m). In order to manage expenditure in the challenging economic environment, we implemented a pay freeze, a vacancy freeze and a robust review of procurement.

Practice, disciplinary related and consultancy costs reduced by 5.3% to £16.2m (2008: £17.1m) reflecting the full year benefit of the restructure carried out during 2008, together with additional staff and procurement savings.

2009 also saw the first full financial year of new products in our commercial portfolio in direct support of our strategy. A number of reallocations of costs from other departments, principally the transfer of the catering and functions areas into Member Services, resulted in an increase in reported costs in this area of £1.8m to £10.3m (2008: £8.5m).

International expenditure across ICAEW increased by 31.3% to £4.2m (2008: £3.2m) reflecting our strategic priorities. 2009 saw the opening of the South East Asia regional office in Singapore and the Middle East regional office in Dubai. These are our first regional offices and they have already provided evidence of extending the reputational reach of ICAEW across the globe. Activities continued in China (including Hong Kong), Malaysia and Pakistan, particularly on student training and conferences. These activities contributed to increased student intake and the enhancement of ICAEW’s reputation.

Expenditure on communications and marketing increased to £8.0m (2008: £7.7m), with specific investment on our new brand identity and public policy. This has contributed to a higher profile for ICAEW as illustrated by our award of Superbrand status for the first time in 2009. Only the top 500 UK brands, as selected by an independent process, are awarded Business Superbrand status every year.

During 2009 we charged costs of £0.1m to the income statement in relation to the JDS, and £2.1m in relation to the Accountancy and Actuarial Discipline Board (AADB).

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. Following the closure of the JDS to new cases in 2004, the AADB was established as the successor scheme.

	2009 £m	2008 £m
Net result before JDS	0.8	0.3
Funding of JDS	(0.1)	(0.1)
Net result after tax	0.7	0.2

Tax

The net corporation tax credit for the year was £0.1m (2008: £nil).

Pensions

ICAEW's defined benefits pension scheme was closed to new members in 2000. The whole scheme IAS 19 deficit at 31 December 2009 was £14.8m (2008: £9.1m, 2007: £16.5m).

The increase in the fund deficit is primarily due to an increase in liabilities to £120.4m (2008: £99.9m, 2007: £115.4m) caused by a reduction in the discount rate and an increase in inflation assumptions used for IAS19 purposes.

	2009	2008	2007
Discount rate	5.68%	6.35%	5.75%
Price inflation	3.55%	3.20%	3.50%

Improving investment performance of the fund's assets, mainly driven by recovering equity markets, has to some extent offset the increase in the fund's deficit. At the end of 2009 the value of fund assets was £105.6m (2008: £90.8m, 2007: £98.9m).

Following the last full actuarial valuation at April 2007, ICAEW agreed with the trustee to provide further deficit funding in 2009 of £3.9m (2008: £3.7m, 2007: £1.8m).

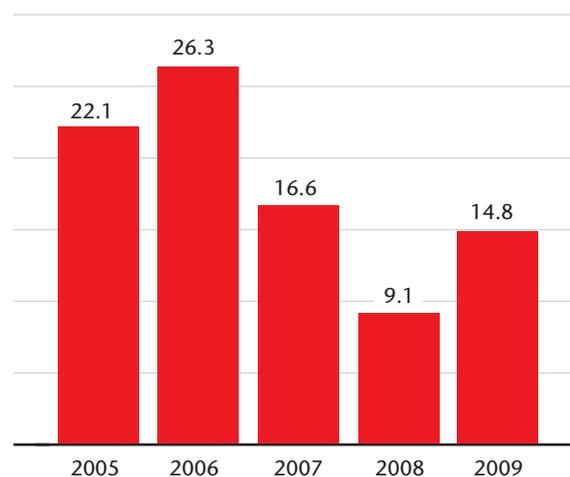
As part of the 2007 actuarial valuation of the fund, the trustee commissioned a review of the strength of ICAEW's financial covenant. The resulting agreement set a number of trigger points in relation to the key financial ratios.

During 2007 to secure this arrangement, ICAEW agreed to a charge being made over Chartered Accountants' Hall and to ring-fence £5.0m of available for sale investments, which the trustee of the scheme may call upon should ICAEW's financial position deteriorate materially between 1 January 2008 and the conclusion of the next triennial valuation of the scheme in 2010. None of these trigger points had been breached at 31 December 2009 and significant headroom existed on each of the key measures.

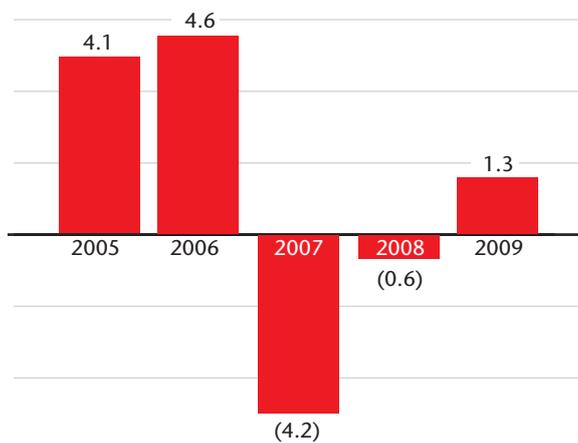
In November 2009 ICAEW entered consultation with active members of the defined benefits scheme regarding the proposal to close the scheme to future accrual.

The scheme was a multi-employer scheme comprising ICAEW group and the Chartered Accountants' Benevolent Association (CABA). ICAEW group is the main employer in the scheme. During 2009, CABA ceased to be a participating member of the scheme.

IAS 19 pension deficit (£m)



Cash flows (£m)



Financial position and cash flow

Net assets at 31 December 2009 were £21.4m (2008: £28.8m, 2007: £29.6m). The most significant movement on the statement of financial position has been the increase in ICAEW's share of the pension deficit to £14.2m (2008: £8.6m, 2007: £15.9m).

During 2009 the market value of ICAEW's investments increased to £28.2m (2008: £26.1m, 2007: £26.1m). We decided that, in light of the decline in the Bank of England base rate, our long-term investments of c. £22.0m held primarily in certificates of deposit should be invested by way of a multi-asset based mandate. The resulting mandate was split evenly between Jupiter Asset Management Limited and Rathbones Investment Management Limited.

Inventories were unchanged at £0.8m (2008: £0.8m, 2007: £0.9m). Trade and other receivables were £8.3m (2008: £8.7m, 2007: £8.7m). Trade and other payables were £26.8m (2008: £24.0m, 2007: £21.0m). This increase was generated by the focused approach to working capital management as well as the increase in 2010 fees and subscriptions in advance.

Net cash inflow was £1.3m (2008: £0.6m outflow). Capital expenditure was £3.3m (2008: £7.7m). In 2008 we invested in the fit-out of Metropolitan House in Milton Keynes and the new Business Centre in Chartered Accountants' Hall. Funding of the JDS saw a cash outflow of £1.2m (2008: £1.4m). ICAEW provided £0.7m of costs relating to the JDS at 31 December 2009. It is expected that 2009 will be the last year of operations for the JDS and as a result this provision also includes closure costs. Funding of the AADB saw a cash outflow of £1.3m (2008: £1.0m). The increase in this funding is a result of the increasing case load of the AADB generated by the economic downturn. We have provided £5.3m (2008: £4.5m) of costs relating to the AADB at 31 December 2009. We do not take account of any potential future income from fines or cost recoveries from JDS or AADB before a judicial judgement has been made.

ICAEW provided £3.9m (2008: £3.7m) of deficit funding to the Staff Pensions Fund, in line with the agreement of January 2008.

ICAEW generated a cash inflow from working capital of £3.7m (2008: £4.2m). This was as a result of efficient working capital management, as well as increased cash inflow relating to receipts for 2010 fees and subscriptions in advance. The cash profile of ICAEW fluctuated throughout the year, peaking at £35.7m in February and bottoming out at £5.4m in November.

Capital expenditure and property assets

Capital expenditure was £3.1m (2008: £6.0m, 2007: £3.3m). Chartered Accountants' Hall was valued at £7.7m (2008: £8.9m, 2007: £11.7m). We expect to spend £3.0m of capital expenditure in 2010 split between £1.8m on systems and £1.2m on property.

The effects of the economic downturn

The progressive reduction in the Bank of England base rate in 2009 affected the level of investment income received. This will continue to impact investment income in 2010.

The principal risks and uncertainties facing ICAEW as a result of the global economic downturn could affect:

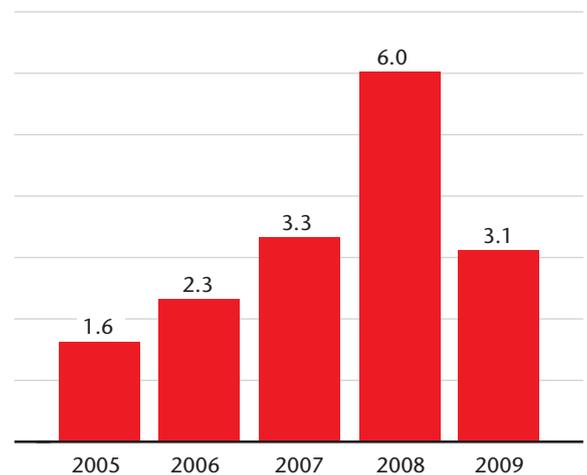
- the numbers of students training in the larger member firms. This is likely to be mitigated by ICAEW's move into international markets where there remain opportunities for growth in numbers of students training with ICAEW;
- increased take up of reduced subscription rates that ICAEW offers for members;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

Further information

You can get full financial statements:

- online at icaew.com/review;
- by emailing fullaccounts@icaew.com; or
- by writing to Daniel Quint, Finance Director at the address listed on the back cover of this review.

Capital expenditure (£m)



SUMMARY FINANCIAL STATEMENTS

SUMMARY GROUP INCOME STATEMENT

as at 31 December 2009

	2009			2008		
	Income £m	Expenditure £m	Net £m	Income £m	Expenditure £m	Net £m
Subscriptions and other income						
Subscriptions and fees	34.8	–	34.8	33.1	–	33.1
Licence and data access fees	1.9	–	1.9	1.9	–	1.9
	36.7	–	36.7	35.0	–	35.0
Subscription-based services						
Learning and professional development	11.8	(16.1)	(4.3)	11.8	(15.8)	(4.0)
Professional standards	2.1	(4.2)	(2.1)	2.2	(4.7)	(2.5)
Member services	3.9	(10.3)	(6.4)	3.5	(8.5)	(5.0)
Regional services	0.1	(5.4)	(5.3)	0.2	(4.7)	(4.5)
Technical strategy	0.1	(5.9)	(5.8)	–	(6.8)	(6.8)
Central activities	0.1	(10.8)	(10.7)	1.0	(12.8)	(11.8)
	18.1	(52.7)	(34.6)	18.7	(53.3)	(34.6)
Self-financing activities and charitable trusts						
Practice regulation	13.8	(12.0)	1.8	12.8	(12.4)	0.4
Faculties	3.7	(3.6)	0.1	3.6	(3.9)	(0.3)
Charitable trusts	0.3	(1.3)	(1.0)	0.2	(1.3)	(1.1)
	17.8	(16.9)	0.9	16.6	(17.6)	(1.0)
Funding of external bodies						
Funding of external bodies – excluding Joint Disciplinary Scheme	–	(3.5)	(3.5)	–	(2.5)	(2.5)
Funding of Joint Disciplinary Scheme	–	(0.1)	(0.1)	0.5	(0.6)	(0.1)
	–	(3.6)	(3.6)	0.5	(3.1)	(2.6)
Operating result	72.6	(73.2)	(0.6)	70.8	(74.0)	(3.2)
Investment income	1.6	–	1.6	3.4	–	3.4
Result before taxation	74.2	(73.2)	1.0	74.2	(74.0)	0.2
Taxation			0.1			–
Analysis of net result after taxation						
Net result before funding of Joint Disciplinary Scheme		1.2			0.3	
Funding of Joint Disciplinary Scheme		(0.1)			(0.1)	
Net result after taxation			1.1			0.2

SUMMARY ICAEW INCOME STATEMENT
for the year ended 31 December 2009

	2009			2008		
	Income £m	Expenditure £m	Net £m	Income £m	Expenditure £m	Net £m
Subscriptions and other income						
Subscriptions and fees	34.8	–	34.8	33.1	–	33.1
Licence and data access fees	1.9	–	1.9	1.9	–	1.9
	36.7	–	36.7	35.0	–	35.0
Subscription-based services						
Learning and professional development	11.8	(16.1)	(4.3)	11.8	(15.8)	(4.0)
Professional standards	2.1	(4.2)	(2.1)	2.2	(4.7)	(2.5)
Member services	3.9	(10.3)	(6.4)	3.5	(8.5)	(5.0)
Regional services	0.1	(5.4)	(5.3)	0.2	(4.7)	(4.5)
Technical strategy	0.1	(5.9)	(5.8)	–	(6.8)	(6.8)
Central activities	0.1	(10.2)	(10.1)	1.0	(12.3)	(11.3)
	18.1	(52.1)	(34.0)	18.7	(52.8)	(34.1)
Self-financing activities						
Practice regulation	13.8	(12.0)	1.8	12.8	(12.4)	0.4
Faculties	3.7	(3.6)	0.1	3.6	(3.9)	(0.3)
	17.5	(15.6)	1.9	16.4	(16.3)	0.1
Funding of external bodies						
Funding of external bodies – excluding Joint Disciplinary Scheme	–	(3.5)	(3.5)	–	(2.5)	(2.5)
Funding of Joint Disciplinary Scheme	–	(0.1)	(0.1)	0.5	(0.6)	(0.1)
	–	(3.6)	(3.6)	0.5	(3.1)	(2.6)
Gift aid and library funding	–	(1.8)	(1.8)	–	(1.2)	(1.2)
Operating result	72.3	(73.1)	(0.8)	70.6	(73.4)	(2.8)
Investment income	1.4	–	1.4	3.0	–	3.0
Result before taxation	73.7	(73.1)	0.6	73.6	(73.4)	0.2
Taxation			0.1			–
Analysis of net result after taxation						
Net result before funding of Joint Disciplinary Scheme		0.8			0.3	
Funding of Joint Disciplinary Scheme		(0.1)			(0.1)	
Net result after taxation			0.7			0.2

SUMMARY STATEMENTS OF FINANCIAL POSITION
as at 31 December 2009

	Note	2009 £m	2008 £m	Group 2007 £m	2009 £m	2008 £m	ICAEW 2007 £m
Assets							
Non-current assets	2	60.1	58.6	62.3	49.9	49.8	51.4
Current assets		19.6	18.5	19.0	19.1	18.2	18.9
Non-current asset held for sale	3	-	-	3.0	-	-	3.0
Total assets		79.7	77.1	84.3	69.0	68.0	73.3
Liabilities							
Current liabilities		(30.8)	(29.4)	(25.3)	(30.4)	(29.1)	(25.0)
Non-current liabilities		(17.8)	(10.5)	(19.3)	(17.2)	(10.1)	(18.7)
Total liabilities		(48.6)	(39.9)	(44.6)	(47.6)	(39.2)	(43.7)
Total net assets		31.1	37.2	39.7	21.4	28.8	29.6
Reserves							
Revaluation reserve		4.2	5.9	11.3	4.2	5.9	11.3
Investment revaluation reserve		1.3	(0.1)	0.8	1.3	(0.1)	0.8
Accumulated fund		10.0	17.0	13.1	9.9	16.9	13.0
		15.5	22.8	25.2	15.4	22.7	25.1
Reserves retained by self-financing activities and charitable trusts							
Self-financing activities		6.0	6.1	4.5	6.0	6.1	4.5
Charitable trusts		9.6	8.3	10.0	-	-	-
		15.6	14.4	14.5	6.0	6.1	4.5
	4	31.1	37.2	39.7	21.4	28.8	29.6

Approved on behalf of the council



Martin Hagen, President
19 March 2010



Michael Izza, Chief Executive

SUMMARY STATEMENTS OF CASH FLOWS

for the year ended 31 December 2009

	Group		ICAEW	
	2009	2008	2009	2008
	£m	£m	£m	£m
Cash generated from operations	9.0	7.3	8.7	7.7
Income taxes paid	-	(0.4)	-	(0.4)
Cash outflow on pension liabilities	(3.9)	(3.7)	(3.9)	(3.7)
Cash outflow on JDS and AADB	(2.5)	(2.4)	(2.5)	(2.4)
Purchase of property, plant and equipment	(2.5)	(6.5)	(2.5)	(6.5)
Sale of property	-	3.1	-	3.1
Purchase of intangible assets	(0.8)	(1.2)	(0.8)	(1.2)
Deferred consideration received	1.0	1.0	1.0	1.0
Net purchase of available for sale investments	(0.1)	0.2	0.1	-
Investment income received	1.4	2.2	1.2	1.8
Net increase/(decrease) in cash and cash equivalents in the year	1.6	(0.4)	1.3	(0.6)
Net cash and cash equivalents at 1 January	8.9	9.3	8.7	9.3
Net cash and cash equivalents at 31 December	10.5	8.9	10.0	8.7

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

for the year ended 31 December 2009

1 Basis of preparation

The summary financial statements have been extracted from ICAEW's full financial statements for the year ended 31 December 2009, 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

	Group			ICAEW		
	2009	2008	2007	2009	2008	2007
	£m	£m	£m	£m	£m	£m
Carrying amounts						
Property, plant and equipment	17.2	18.2	18.4	17.2	18.2	18.4
Intangible assets	2.4	2.6	2.8	2.4	2.6	2.8
Investments in associated undertakings	0.1	0.1	0.1	-	-	-
Available for sale investments	38.3	34.8	36.9	28.2	26.1	26.1
Deferred consideration receivable	1.5	2.5	3.5	1.5	2.5	3.5
Deferred tax asset	0.6	0.4	0.6	0.6	0.4	0.6
	60.1	58.6	62.3	49.9	49.8	51.4

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 £3.0m. Sale of this property was completed in April 2008.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS (continued)

as at 31 December 2009

4 Reserves

						Group
	Revaluation reserve £m	Investment revaluation reserve £m	Accumulated fund £m	Self- financing reserves £m	Charitable trusts £m	Total £m
Reserves at 1 January 2009	5.9	(0.1)	17.0	6.1	8.3	37.2
Net result after taxation	-	-	(1.4)	2.1	0.4	1.1
Decrease in valuation of property, plant and equipment	(1.8)	-	-	-	-	(1.8)
Net change in market value of long-term investments over cost	-	2.0	-	-	1.2	3.2
Actuarial losses recognised in year on defined benefit pension scheme	-	-	(5.8)	(2.2)	(0.3)	(8.3)
Deferred tax attributable to above	0.1	(0.6)	0.2	-	-	(0.3)
	(1.7)	1.4	(7.0)	(0.1)	1.3	(6.1)
Reserves at 31 December 2009	4.2	1.3	10.0	6.0	9.6	31.1

						ICAEW
	Revaluation reserve £m	Investment revaluation reserve £m	Accumulated fund £m	Self- financing reserves £m	Total £m	
Reserves at 1 January 2009	5.9	(0.1)	16.9	6.1	28.8	
Net result after taxation	-	-	(1.4)	2.1	0.7	
Decrease in valuation of property, plant and equipment	(1.8)	-	-	-	(1.8)	
Net change in market value of long-term investments over cost	-	2.0	-	-	2.0	
Actuarial losses recognised in year on defined benefit pension scheme	-	-	(5.8)	(2.2)	(8.0)	
Deferred tax attributable to above	0.1	(0.6)	0.2	-	(0.3)	
	(1.7)	1.4	(7.0)	(0.1)	(7.4)	
Reserves at 31 December 2009	4.2	1.3	9.9	6.0	21.4	

SUMMARY CORPORATE GOVERNANCE STATEMENT

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 2009.

INDEPENDENT AUDITORS' STATEMENT

to the members of The Institute of Chartered Accountants in England and Wales

We have examined the group and ICAEW summary financial statements, 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 audit work has been undertaken so that we might state to ICAEW'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 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 council and auditors

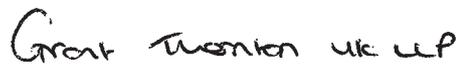
The council is responsible for preparing the annual review and the summary financial statements. Our responsibility is to report to you our opinion on the consistency of the summary financial statements within the annual review with the full annual report and financial statements. We also read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent mis-statements 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 ICAEW for the year ended 31 December 2009 and the annual report on which we expressed an unqualified audit opinion in our report dated 19 March 2010.



Grant Thornton UK LLP
Chartered Accountants and Registered Auditors
London
19 March 2010

LIST OF COUNCIL MEMBERS

As at 31 December 2009

The attendance record at meetings of Council in 2009 is shown alongside each member (actual/possible).

President

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

Deputy-President

Gerald Russell (6/7)
Consultant, Ernst & Young LLP, London

Vice-President

Clive Parritt (7/7)
Chairman Baronsmead VCT 2 plc; DiGiCo Europe Ltd; BG Consulting Group Ltd and Non-Executive Director, London & Associated Properties plc and other companies, London

Caroline Al-Beyery (4/6) See note 1
Observer member as CIPFA's representative
Head of Audit Practice, Audit Commission

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

Paul Aplin (7/7) See note 2
Co-opted, member with liaison link to HMRC
Tax Partner, A C Mole & Sons

Michael Arnold (5/7)
Elected, South Eastern
Director – ACS Management Ltd

Malcolm Bacchus (5/7)
Elected, London
Finance Director, Vyke Communications plc and Principal, Bacma Consulting

Andrew Baigent (5/7)
Elected, London
Director General, National Audit Office

Arthur Bailey (5/7)
Elected, Staffs, Salop & Wolverhampton
Consultant; Begbies Traynor Group and Non-Executive Director

John Ball (7/7)
Elected, Nottingham, Derby & Lincoln
Director, JB Professional Services Ltd

Mark Barnish (4/7)
Elected, Staffs, Salop & Wolverhampton
Consultant

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) See note 3
Co-opted, Chairman,
Member Services Board
Independent Management Consultant

Heather Cheesman (3/4) See note 4
Elected, South Eastern
Partner, A J Bennewith & Co.

Ian Cherry (6/7)
Elected, North West
Director, A I Cherry Ltd

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

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

John Collier (4/7)
Elected, London
Director, Clive & Stokes International,
Executive Search

Dennis Cox (5/7)
Elected, London
CEO Risk Reward Limited

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

Jimmy Daboo (2/4) See note 4
Elected, London
Partner, KPMG LLP

Feroze Dada (4/4) See note 4
Elected, London
Senior Partner, Freeman & Partners

Ashish Dave (3/7)
Co-opted, member in the UAE
Executive Director, ABRAA Capital Limited, Dubai

Ian Davies (5/4) See note 4
Elected, Southern
Chairman, The Independent Director Ltd

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

Graham Durgan (4/7)
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
Director of various charities

Frank Edwards (6/7)
Elected, South Wales
Director, CODA Business
Management Ltd

David Evans (2/7)
Co-opted, senior partner of an
international Group A firm
UK Senior Partner, Mazars LLP

Keith Ferguson (4/7)
Elected, South Wales
Director, KB Ferguson Ltd,
Chartered Accountants

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

Owen Finn (4/7)
Elected, Humberside and District
Managing Director, Premier Building
& Engineering Services UK Ltd

Richard Frost (6/7)
Elected, Sheffield
Audit Partner, Hawsons

David Furst (6/7)
Ex officio, Past President
Chairman, Horwath Clark Whitehill LLP,
London

Graeme Gordon (4/7)
Elected, Thames Valley
Executive Director/CEO Praxity

Bill Graham (5/7)
Elected, Northern
Consultant

Richard Green (5/7)
Ex officio, Corporate Finance Faculty
representative
Chairman, August Equity LLP

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

Barrie Harding (6/7)
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

Christopher Heaton (4/4) See note 4
Elected, Sheffield
Managing Director, OSL Automotive Ltd
and CHCT Ltd

John Hilton (4/7)
Elected, West of England
Practice Director, Thring Townsend
Solicitors

Marion Hodgkiss (6/7)
Elected, Liverpool
Kaplan Financial Ltd

Philip Hollins (6/7)
Elected, London
Partner, UHY Hacker Young LLP

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

Richard Hopkins-Burton (4/4) See note 5

Ex officio, National Student
Council representative
Senior Associate, Transaction
Services, Deloitte LLP

Nigel Hughes (4/7)
Elected, Beds Bucks and Herts
Managing Director, Totteridge
Associates Ltd

Chris Humphrey (6/7)
Co-opted, academic
Professor of Accounting (MAFG),
Manchester Business School

Stephen Huyton (7/7)
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 (6/7)
Elected, London
Finance Director, The Prince's
Regeneration Trust

Jeremy Jennings (4/7)
Co-opted, member in the EU
Global Director, Regulatory and
Government Relations, Ernst & Young,
Brussels

Suweil Jiang (3/7)
Co-opted, younger member
Director, PwC China Business Centre,
London

Grant Jones (7/7)
Elected, London
London Office Partner, Cooper Parry LLP,
Solicitor and New York Attorney

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

Neeraj Kapur (6/7)
Co-opted, member in financial institution
Finance Director, Lombard Asset Finance
Group

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 (2/7)
Co-opted, Chairman, Insolvency
Committee
Chairman, Business Recovery Services
Division, PricewaterhouseCoopers LLP

Andrew Lovelady (4/7)
Elected, Liverpool
Group Finance Director, Ethel Austin
Property Group

Ara Martirosian (4/4) See note 4
Elected, South Eastern
Managing Director, Red IT Solutions
Limited

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

David McBride (2/7)
Elected, London
tba

Cameron Maxwell (6/7)
Elected, South Essex
Consultant, Avesco Group plc

Roger Merchant (3/4) See note 4
Elected, Leics & Northants
Partner, PKF (UK) LLP

Robert Millea (4/7)
Elected, East Anglian
Vice Chairman, West Suffolk College
and Consultant

Peter Mitchell (5/7)
Elected, Beds Bucks & Herts
Senior Partner, Peter Mitchell & Co
and Chairman, Society of Professional
Accountants

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

Alfred Morris CBE (3/7)
Elected, West of England
Vice-Chancellor, London Metropolitan
University

Gerry Murphy (2/7)
Ex officio, Chairman, Audit
& Assurance Faculty
Audit Partner, Deloitte LLP

Nick Parker (6/7)
Elected, Southern
Regional Director of Tax, RSM Tenon

Michael Pavia (5/7)
Co-opted, senior member in business
Non-executive Director, Thames Water
plc, Telecom Plus plc and Salamander
Energy plc and other companies

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 (4/7)
Co-opted, Chairman, Technical
Strategy Board
Partner, PricewaterhouseCoopers LLP

Richard Reid (3/7)
Co-opted, senior partner in a Big Four
firm London Chairman, KPMG LLP

Chris Sanger (2/3) See note 6
Ex officio, Chairman Tax Faculty
Tax Partner, Ernst & Young LLP

Ann Shaw (2/7)
Elected, North West
Managing Director,
Parkfoot Holiday Homes Ltd

Robert Sheffrin (5/7)
Elected, Manchester
Compliance Director, Braemar Securities

Andy Simmonds (4/7)
Ex officio, Chairman,
Financial Reporting Faculty
Accounting Technical Partner,
Deloitte LLP

Philip Smith (2/3) See note 6
Ex officio, representative of the Finance
and Management Faculty
Turnaround Specialist

Joe Smoczynski (6/7)
Co-opted, member in EU
President, Baker Tilly & Smoczynski
& Partners Sp.ooz, Warsaw

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

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

Elizabeth Stanton (3/4) See note 4
Elected, London
Partner, Ernst & Young LLP

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

Mike Sturgess (4/4) See note 4
Elected South Western
Managing Director, Swat UK Ltd

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

Jonathan Teller (7/7) See note 7
Ex officio, representative of the
Information Technology Faculty
Consultant

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

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

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

David Walker (6/7)
Elected, West Yorkshire
Finance Director, Assurant
Intermediary Ltd

Jatinder Wasu (5/7)
Elected, London
Principal, Sterling Hay Chartered
Accountants and director of various
businesses

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, Fiona Wilkinson

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

Peter Wong (5/7)
Co-opted, HKICPA representative
Consultant, Deloitte Touche Tohmatsu,
Hong Kong and Non-executive
Chairman, GFC Trustees (Hong Kong) Ltd

**THE FOLLOWING WERE ALSO
MEMBERS OF COUNCIL DURING THE
YEAR 2009:**

Lee Blunden (0/3)
Co-opted, Southern
Principal, Alfred Cole Business
Management
Resigned wef 11 March 2009

Evie Bowyer (1/3) See note 8
Elected, London
Director, EVB Training Consultancy Ltd

Tony Cooper (3/3) See note 8
Elected, Sheffield
Company Director/Pensions trustee

Maurice Ede (3/3) See note 8
Elected, South Eastern
Director, Network 4M Limited

David Hunt (2/3) See note 8
Co-opted, Member with links to the IFA
Principal, La Chasse Management
Development Company; and Visiting
Professor, Nottingham Business School

Adrian Keene (2/3) See note 8
Elected, Leics & Northants
Managing Director, Mutual Clothing &
Supply Co. Ltd

Ian Morris OBE (3/3) See note 8
Elected, Past President
Consultant, Morris and Co and
Partner, Turner Peachey

Michael Sherry (3/3) See note 8
Elected, London
Tax Counsel, 3 Temple Gardens, Temple

Karen Silcock (3/6)
Elected, London
Partner, Deloitte LLP
Resigned wef 2 December 2009

James Smith (2/3) See note 8
Ex officio, Chair National Students
Council
Assistant Manager, Assurance &
Advisory, Deloitte LLP

Bill Telford (3/3) See note 8
Elected, South Eastern
National Training Director, Baker Tilly

Peter Wyman CBE (1/3) See note 8
Co-opted, Member with links to the
a Big Four firm
Head of Professional Affairs,
PricewaterhouseCoopers LLP

Notes
1 Appointed wef 3 February 2009
2 Co-opted wef 2 June 2009, previously
ex officio, Chairman, Tax Faculty
3 Co-opted wef 2 June 2009, previously
ex officio, representative of the Finance
and Management Faculty
4 Elected wef 2 June 2009
5 Appointed wef 2 June 2009
6 Appointed wef 3 June 2009
7 Appointed wef from 2 June 2009,
previously ex officio, Chairman,
Information Technology Faculty
8 Retired wef 2 June 2009

SENIOR MANAGEMENT TEAM 2009

Michael Izza
Chief Executive

Robin Fieth
Executive Director, Finance & Operations

Robert Hodgkinson
Executive Director, Technical Strategy

Raymond Madden to 6 July 2009
Executive Director, Learning &
Professional Development

Vernon Soare
Executive Director, Professional Standards



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Our members provide financial knowledge and guidance based on the highest technical and ethical standards. They are trained to challenge people and organisations to think and act differently, to provide clarity and rigour, and so help create and sustain prosperity. ICAEW ensures these skills are constantly developed, recognised and valued.

Because of us, people can do business with confidence.

ICAEW
Chartered Accountants' Hall
Moorgate Place London
EC2R 6EA UK

T +44 (0)20 7920 8100
F +44 (0)20 7920 0547
E info@icaew.com

