



# ANNUAL REVIEW 2010



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# Foreword from the President and Chief Executive



In 2010, many of the world's economies shifted from recession to recovery – while others, particularly in South East Asia and China, powered ahead.

It was also a year in which the long-term legacies of the financial crisis started to crystallise. On the positive side, there has been a renewed demand for leadership and business skills, and for better financial management, particularly in the public sector of those countries where there is a need for fiscal consolidation.

And we saw increased scrutiny of the profession. Governments and regulators, particularly in the UK and Europe, have turned the regulatory spotlight to auditors and their role in the crisis. We can expect proposals for change in 2011.

Against this challenging backdrop, 2010 was a strong year for ICAEW. Membership rose to over 136,000 and ACA student intake increased to 5,652, a 19-year high, with total numbers at 17,653. Financially, we made a net surplus of £1.8m from a total income of £76.4m, while continuing to invest in the acceleration of our strategy.

We continue to make strong progress in extending our reputation and influence across the globe as a world leader of the accountancy and finance profession. We now have three established international regions in South East Asia, the Middle East and Europe, with our fourth region in Greater China being launched in March 2011.

In the UK, we are engaging with the coalition government to ensure the policy and regulatory climate supports a business-led recovery, economic growth and competitiveness.

Looking back over the year, our focus has been on three key areas.

**Knowledge and skills.** In the changing economic environment, we are working hard to develop the knowledge and skills of finance professionals around the world. From our flagship qualification, the ACA – which continues to grow in international recognition – to the F-TEN leadership academy, we are giving individuals the expertise and experience they need to progress to leadership positions in the organisations they advise and run.

**International leadership.** We continue to engage with governments and regulators at national and international levels, helping to shape the world's accountancy and finance profession and influencing the global business environment. We have increased recognition of ICAEW's brand through the ACA – 24% of our student intake in 2010 was from outside the UK – and through expansion into new territories with other qualifications, notably IFRSs in South America.

**Sustainable business.** We believe that our members have a critical role to play in helping businesses and markets deliver long-term economic growth. Through projects such as the Finance Innovation Lab, a think tank launched jointly with WWF-UK, we are actively encouraging organisations to work in more sustainable ways.

We are proud of all we have achieved in 2010, none of which would be possible without the expertise and commitment of our members and staff. We hope that this *Annual Review* will give you some insight into how we aim to support our members, inform debate and lead our profession.

Going into 2011 the momentum we have established over the course of the past year will help us continue to lead at this critical time for the profession as well as the wider global economy.

**Gerald Russell**  
President

**Michael Izza**  
Chief Executive

# Our qualifications and personal development programmes, designed to support individuals at all stages of their career progression, are central to our long-term sustainability

Student numbers are growing globally, but our model remains top-quality training and development for the brightest and the best, regardless of background. There is an ICAEW Chartered Accountant on over 84% of FTSE 100 boards and we want to maintain that quality.

We believe that our approach of providing top-quality education and training to the best candidates – with a variety of ways to access that training – will continue to be a winning long-term formula, building the reputation of our members and of their qualifications all over the world.

We want to ensure that our qualifications are open to all, no matter what their background, education or upbringing. In 2010, we worked on guidelines for internships, which we believe are critically important in promoting the profession to a wider demographic, and on employer-sponsored training schemes.

### Leading

As part of our efforts to improve access to the accountancy profession, we worked with the UK Government's Gateways to the Professions Collaborative Forum to produce the world's first *Common Best Practice Code for High Quality Internships*.

In January 2011, in partnership with KPMG and Durham University, we launched a new programme for school leavers who might not otherwise have gone to university. After a six-year course and training programme funded by KPMG, they will gain both the ACA qualification and a degree in accounting. There is more to come.

Our **Narrowing the Gap** programme, which supports members during and after a career break, was short-listed for two awards in 2010. We also continued to sponsor an accountancy category at the annual **Women in the City** awards which in 2010 was won by Pam Jackson, partner, Mergers and Acquisitions at PwC.

### Key stats

- 24% of our ACA student intake this year was from outside the UK, a record year.
- We had the highest ever intake for the Certificate in Finance, Accounting and Business (CFAB).
- We launched three new qualifications: the **ICAEW Certificate in Insolvency**, the **Certificate in International Public Sector Financial Reporting**, and the **IFRS for SMEs learning and assessment programme**.
- 1,000 students took part in the BASE interschool business game.



## AIM Finance Directors' Club

**In September, ICAEW and PwC launched a new group for finance directors of companies quoted on the Alternative Investment Market (AIM). It has long seemed an omission that there was no forum for finance directors of these companies to share information and experiences about the challenges they face in their roles.**

The AIM FD Club fills this gap by facilitating networking opportunities for this community, informing and stimulating discussion on subjects directly or indirectly related to their roles and by providing a public voice to those issues that will have a significant impact on this important sector of the economy.

The inaugural meeting of the Club heard from Charles Davis, Managing Economist at cebr (the Centre for Economics and Business Research) on his analysis of the UK's economic prospects in the run up to the comprehensive spending review and the consequences of the coalition government's policies.

Paul Wright, Finance Director at Workplace Systems attended the first meeting and is a member of the AIM FD Club Steering Group. He said that 'the AIM FD Club sounded like a really useful idea - a club that was really aimed at FDs in business rather than a club that was an adviser driven body. The great advantage of the AIM FD body is that it is an opportunity to meet a peer group from a range of other businesses to talk informally, almost in a mentoring style, without the pressure of a sell, but also to talk about things which impact me every day.'

In the spotlight

# F-TEN provided 25 ICAEW members with the skills and insight they will need to become finance directors

## Supporting

Our Financial Talent Executive Network programme, **F-TEN**, provided 25 ICAEW members with the skills and insight they will need to become finance leaders. Mentors who have supported the programme in 2010 include Alison Reed, former Group Finance Director of Standard Life and Marks & Spencer and Andrew Shilston, Finance Director of Rolls-Royce.

We continue to offer mentoring and executive coaching to members. The **Network of Finance Leaders** develops commercial awareness and leadership skills at Vice-President or Financial Manager level.

We revised our ethics code to improve clarity and consistency, reflecting the International Federation of Accountants' revisions to the code of ethics issued by the International Ethics Standards Board for Accountants.

We launched a new **Insolvency Special Interest Group**. ICAEW is the largest regulator of insolvency practitioners in the UK. This new group will provide support for them at a time when the importance of the insolvency market is clear. The ICAEW Certificate in Insolvency, launched in March 2010, provides a flexible learning programme for professionals specialising in this area.

We are working to become more accessible to students, particularly through the web and social media. This year we ran a number of webinars on subjects like 'managing for the first time' and 'risk management'. The launch of CFAB Ambition, our new online support scheme, will give vital career and professional development support to CFAB students and holders.

The Audit and Assurance Faculty helped prepare members for the transition to the new clarified ISAs (International Standards on Auditing), focused around providing a dedicated web resource, [ISAAudit2010.com](http://ISAAudit2010.com). We published *Right First Time*, which will be an essential guide for firms as they start to use the new ISAs. We also ran **Climbing the Clarity Curve** roadshows around the UK which attracted over 1,600 attendees.

We sought and were granted leave to intervene in a case before the Court of Appeal on the extension of **Legal Professional Privilege** to a wider range of professionals advising on tax issues including ICAEW Chartered Accountants. In its judgement, the Appeal Court ruled against this so we are now exploring our next steps, including taking the debate to Parliament.

Our recruitment portal, [ICAEWjobs.com](http://ICAEWjobs.com), has continued to grow. In 2010, 30,000 job applications were made through the site. Over 20,000 candidates are currently registered. We provide free advertisements for volunteer charity appointments.

We developed a programme of events, covering topics such as volunteering, portfolio careers and planning for retirement as part of the support we provide for retired and retiring members.

To streamline and consolidate our service to members in practice, after research and pilot visits, we launched a **Practice Support Service** and appointed a Head of Practice. In 2011 we will launch a new practice-specific newsletter and make it easier to access support online.



## Informing

Extensive consultation has taken place with members, firms and examiners over the future of the ACA. On the back of this research, we will develop proposals during 2011 to ensure that the ACA remains a world-leading business and finance qualification.

In April 2010, High Fliers Research reviewed 70 brochures, based on a poll of undergraduates. The ICAEW graduate recruitment brochure ranked first for content and seventh overall; an unprecedented achievement for a professional body.

We continue to keep members informed of how changes to the law affect them, and to develop best practice in a range of areas from audit and tax to fighting money laundering and bribery.

We have continued to develop our suite of IFRS learning and assessment programmes, working closely with our strategic partners. In 2010, we launched an

e-learning programme with CIPFA, the **Certificate in International Public Sector Financial Reporting**. We also developed an **IFRS programme** tailored to the needs of SMEs and worked with Chartered Accountants Ireland and BPP, to offer their **Diploma in IFRS** to ICAEW members.

The IT Faculty and Tax Faculty helped members get to grips with XBRL (extensible business reporting language), publishing information including two short booklets, *Demystifying XBRL* and *Implementing XBRL*, and through a series of events held around the country.

In October, we launched our **AIM FD Club**. The club provides a forum for finance directors of AIM quoted companies to share information and experiences about the challenges they face in their roles. It complements the **250 Club** for finance directors of FTSE 250 companies which was established several years ago.

## Insolvency Roadshow

**ICAEW's Insolvency Roadshow attracted over 150 delegates in 2010, who were briefed on changes to insolvency rules and best practice.**

Mark Botwood, Head of Business Recovery and Insolvency at Muras Baker, commented, 'I first went along to ICAEW's Insolvency Roadshow a number of years ago, really to support ICAEW, but I found it extremely useful, both for my own purposes and for the department as well, particularly as they have the QAD examiners and inspectors actually present, and it gave a useful insight into what they find on a visit, and obviously how to improve our department as well.'

'In addition to that they have some very useful speakers,' he added, 'And I have since used what I learned on the job. So I find the Insolvency Roadshow extremely useful for us.'

The Insolvency Roadshow was one of a series of free events and services the ICAEW Insolvency Group, a special interest group launched in 2010, provides to members.

The Insolvency Group is open to ICAEW members and non-members who are interested in insolvency. ICAEW insolvency licence holders will automatically become members at no extra cost. Members will be able to sign up for the group as part of their annual subscription renewal, or via the Insolvency Group's website.

**ICAEW is the UK's largest insolvency practitioner regulator.**

## International leadership

Our international strategy is about long-term sustainable growth. Today we have members in over 160 countries and nearly a quarter of our new students are from outside the UK, an all-time high

Our international capacity building work and our research and thought leadership both help to build the strong international reputation of ICAEW and our members, and contribute to a strong and sustainable global accountancy profession.

Through the work of our faculties, we have made important contributions to shaping the future of the accountancy profession and business environment. From the role of audit and the convergence of international financial reporting standards to the governance of companies and audit firms, our recommendations command respect from regulators and governments around the world.

### Leading

We launched a campaign for greater transparency and accountability in the public finances, after research we carried out with our economic consultants, cebr, showed that UK public sector debt could be double the official figure.

ICAEW played a leading role at the four-yearly **World Congress of Accountants** in Kuala Lumpur. HRH the Prince of Wales, an ICAEW honorary member, gave the opening address. Our experts also participated in a number of sessions. During the congress, we hosted a reception for members, partners and key stakeholders in the Petronas Towers, attended by the British High Commissioner in Malaysia.

We worked in 2010 to enhance our visibility and strengthen our market positions and prospects in key European countries, including Cyprus, Greece, Poland, Romania and Turkey.

Michael Izza chaired an international expert group reporting on the technical feasibility of a **currency transaction levy**. The report demonstrated that levying a fee on foreign exchange transactions at the point of central, global settlement is technically possible, has the potential

to raise above \$25bn annually and could fund international development and climate change mitigation.

Together with the UK's Financial Reporting Council, we launched the world's first **Audit Firm Governance Code**. The code is being adopted by all the major accountancy firms in the UK and is increasingly recognised as best practice around the world.

Our Financial Services Faculty's report *Audit of banks: lessons from the crisis* examined the role of audit and auditors, and made recommendations on how the audit process might evolve to promote greater confidence in financial information. A number of the report's recommendations have been picked up by other policy-makers including the Financial Services Authority (FSA) and the European Commission, as well as driving our own agenda for 2011.

### Key stats

- We now have three international regional offices in Brussels, Singapore and Dubai. The fourth will be launched in Beijing in March 2011.
- Twenty recommendations from our Manifesto, produced for the May 2010 UK general election, were included within the manifestos of the three main UK political parties.
- We submitted 190 responses and representations to consultations from governments, standard-setters and regulators around the world.





## Audit of banks: lessons from the crisis

**The fall-out from the financial crisis provided an opportunity for us to demonstrate the value of our thought leadership initiatives in leading policy debates.**

One example is the work of the Financial Services Faculty looking at what the accountancy profession and auditors might learn from the events of the last two years. The result was the report *Audit of banks: lessons from the crisis*, issued in June shortly before the Financial Services Authority (FSA) and Financial Reporting Council issued their own consultation into the role of auditors in prudential regulation.

The report followed a six-month research project which included interviews with senior stakeholders from banks, investors and policy-makers. We felt it important that the profession, as with all other stakeholders, took a critical look at itself to identify what improvements might be made in the functioning of the audit system in the future.

A number of our recommendations have been taken up by regulators. The FSA and Bank of England have worked with us on a draft code of conduct on communication between auditors and bank supervisors. The Financial Reporting Council has also launched a project to look at disclosures by audit committees.

Mark Rhys, chair of the faculty, said: 'Not only have a number of our recommendations been taken up by supervisors in the UK, it has generated significant interest more widely. Regulators from as far apart as China and South Africa have asked about our work. By taking a very hard and self-critical look at ourselves, this work has allowed the profession to lead the debate on bank audit issues, rather than just reacting to pressure from politicians or regulators.'

In the spotlight

## Our submission to the G20 focused on *Foundations for Ethical and Sustainable Growth*

### Supporting

Our international regional offices in Singapore and Dubai continue to offer support to our members in the South East Asia and Middle East regions.

In June 2010, we launched our new Europe Region, run from our newly refurbished Brussels office. The opening was attended by the British Ambassador to Belgium. Building on our presence in Brussels since 1994, our Europe Region will enable us to widen access to our portfolio of qualifications and extend our capacity building and developing nations agenda, working in partnership with professional institutes across the continent. The Europe Region also continues to lead our public policy engagement with EU institutions.

### Informing

We held our first international policy summit at the New York Stock Exchange on 2 December on the theme of **Crisis without a Legacy?** More summits will take place in 2011 in Asia, Europe and the Middle East.

Our Financial Services Faculty's report on the future of bank audits informed some of the UK regulators' consultations. It formed the basis for our responses to both the European Commission's Green Paper, *Audit of Banks: Lessons from the Crisis*; and the House of Lords Economic Affairs' Select Committee inquiry *Auditors: market concentration and their role*.

Twenty recommendations from **ICAEW's Manifesto**, produced for the May 2010 UK general election, were included within the manifestos of the three main UK political parties. We also made submissions to HM Treasury before the budget and post-election emergency budget as well as making representations to the Treasury teams of all three parties during the progress of two Finance Bills through the House of Commons. Since the election, we have established good relationships with ministers in the coalition government, particularly in the areas of enterprise policy and tax.

Our submission to the G20, *Foundations for Ethical and Sustainable Growth*, urged the G20 to take definite steps to combat corruption, to encourage the development of global standards for carbon emissions reporting and a single set of global accounting standards. It concludes with a series of recommendations on what can be done to create an ethical and sustainable economy.



## Deepak Parekh – Indian financial leader wins Outstanding Achievement Award

**Deepak Parekh, a renowned Indian business personality, won an ICAEW Outstanding Achievement Award in 2010 for his contribution to the finance and accountancy profession.**

Mr Parekh, Chairman of the Housing Development Finance Corporation (HDFC), India's first and largest mortgage company, is the first international winner of the award.

Mr Parekh described winning the award as an absolute honour, saying that he was overwhelmed and delighted to be its recipient. 'The message I want to send out for young students now pursuing the ACA qualification is that although accountancy has got very complex, although we now deal globally and international issues affect how we work, and although the profession calls for the best and brightest minds, if you are anything like the

struggling lad that I was, remember, there is hope for everyone as long as you work hard and do not give up on your dreams.'

Mr Parekh's career has spanned work for both private and public sectors, starting with Ernst & Young in New York. He joined HDFC in 1978. Under his leadership the company was transformed and today offers a broad range of financial services. He has worked too for the Indian government, which has consulted him on issues of national importance and appointed him to a number of committees and advisory panels.

Mr Parekh is committed to social responsibility. HDFC, under his leadership, supports many initiatives in education, medical research and welfare for children and the elderly.

In the spotlight

# We support sustainable business because it makes good business sense and will deliver long-term economic benefit

We believe that sustainability is about much more than saving paper, fuel and water – although that's still important which is why we are working towards a zero carbon ICAEW. We are looking to the future and helping businesses achieve a sustainable business model.

That sustainable business model will be central to our response to the UK government's growth agenda. Any economic growth should be to help build business confidence in the short-term while securing the basis for sustainable growth in the medium to long-term through supporting entrepreneurship, technology and innovation.

We take the view that acting in the public interest is in the long-term interest of the profession and its members. Over the past year we have carried out detailed work in a number of areas including ethics, and fighting bribery, corruption and economic crime. And we continue to encourage members to give their time to support financial education in schools.

### Leading

The **Finance Innovation Lab**, which we co-convene with WWF-UK, continues to attract wide support from business, finance and academia. Working from the premise that the financial crisis has revealed shortcomings in the current market arrangements, the Finance Innovation Lab asks the question: how do we create a financial system that sustains people and the planet?

We launched an **ICAEW Emiratisation Scholarship Scheme** in Dubai with HH Sheikh Nahayan, the UAE Minister of Higher Education. The aim of the scheme is to attract more Emiratis into the accountancy profession and help build the pool of business leaders in the UAE. Successful applicants secure an ACA training agreement and a three-year contract with one of the major accountancy firms.

Our international capacity building work with the World Bank continued to focus on making national accountancy bodies strong and sustainable, and able to help build national financial infrastructure and international business confidence. We completed a successful 30-month project in Bangladesh, while the World Bank-sponsored twinning project with the Botswana Institute of Accountants continues into 2011. Audit oversight and training projects took place in Bulgaria, Croatia and Serbia and we continue to operate a service contract in audit quality assurance in Dubai.

### Key stats

- The Finance Innovation Lab project has attracted 2,300 participants, £195k in funding and created over 10 Innovation groups.
- The first five training contracts through our Emiratisation Scholarship Scheme were given to students in Dubai.





## ICAEW Emiratization Scholarship Scheme

**The ICAEW Emiratization Scholarship Scheme (IESS) was successfully launched in December with the first five students. ICAEW has worked with the four largest accountancy firms to create a unique opportunity for top Emirati students to build a strong accounting profession locally, and help grow the future business leaders of the UAE.**

Having recently graduated from the American University in Dubai, Muhra Al Mulla, one of the first recipients of the scheme, aims to tie her top academic background in finance with the practical and hands-on nature of the ACA. 'The ACA is known and respected all over the world which is why I feel blessed to be a part of this scheme. It is sure to open up a lot of doors for top business students in the UAE.'

For Mohammad Zamani, another successful recipient of the scholarship scheme, the opportunity came at exactly the right time as he is poised to graduate in accounting from the American University of Sharjah, in early 2011. 'My professor was the one who encouraged me to take up this opportunity. In this competitive field you need world-class qualifications to stand out.'

Guest of honour at the ceremony, HH Sheikh Nahayan Mubarak Al Nahayan, UAE Minister of Education, said 'Educating our citizens to the highest level is an essential building block of modern society. The UAE is committed to strengthening employment opportunities through education for its citizens.'

In the spotlight

# Our annual Global and UK Enterprise surveys and quarterly UK Business Confidence Monitor help support members in business

## Supporting

We ran a successful series of **Carbon Reduction Commitment** workshops for finance directors in the UK. This was a joint project with the Carbon Trust Standard, KPMG and the Environment Agency, and responded to changes in the law under the UK Climate Change Act.

We continue to work on a financial inclusion project called **At Home with Money**. At Home with Money is a project which is being jointly managed by ICAEW and Grant Thornton, in partnership with the National Skills Academy for Financial Services and Poplar Housing and Regeneration Community Association (Poplar HARCA). It is one of our two financial capability projects and involves the development of an online financial capability resource (a website) which aims to make financial matters easy to understand and easily accessible. The tool will be launched in Poplar later this year.

The Tax Faculty has continued to press the case with both HMRC and also with Parliament about the need for HMRC to improve standards of service. This continues to be a key concern, not just of members but also the wider public and particularly in the media where the continuing furore over the operation of the PAYE system has brought HMRC's processing problems centre stage.

## Informing

We help our members support business in a number of ways, including annual **Global** and **UK Enterprise surveys**, and a quarterly *UK Business Confidence Monitor* which gives a good insight into the outlook for GDP. In 2010 we were invited to join the UK's Small Business Economic Forum which aims to help create a business friendly environment.

We ran a panel session on carbon reporting at the American Accounting Association's annual conference and continued our series of Economic and Social Research Council-sponsored seminars **When worlds collide: Contested paradigms of corporate responsibility**. These were developed in partnership with academics from Cass Business School, City University, the University of Leeds, the University of Aston and the University of Lancaster.

Reflecting the importance we give to sustainability, we held a high-level roundtable in the European Parliament to discuss corporate social responsibility and responded to the EU debate on moving 'beyond GDP' by hosting a reception in the Parliament to launch our briefing on qualitative growth.

Our Audit and Assurance Faculty published *Sustainability assurance: your choice*, which helps businesses understand how assurance services might enhance their sustainability reporting.





## Financial Capability: the tools to do the job

**With the nation's personal debt at record levels, (£1,460bn according to money education charity Credit Action), one of the most obvious and arguably urgent areas where members can pass on their skills and experience is in personal financial management.**

For the past year, volunteers from Grant Thornton have been working in partnership with ICAEW and the Poplar Housing and Regeneration Community Association to identify the most pressing financial issues and individuals in most need of support on debt and other money matters. Volunteers and the Poplar community leaders recruited local young people to go out into community groups and work with residents to pinpoint the greatest problem areas.

This has led to the development of ICAEW's project At Home with Money. Jointly managed by ICAEW and Grant Thornton and run in partnership with NSAFS and Poplar HARCA, the project involves the development of an online financial capability resource (a website) which aims to make financial matters easy to understand and easily accessible.

However, this is one of ICAEW's two financial capability projects, the other of which, Use Your Expertise, invites members to volunteer in schools across the UK with the aim of increasing the financial capability of the students with whom they engage.

Jeremy Cox, Head of Financial Management at the Coventry Building Society, has been part of such a scheme for several years, and has developed it to provide support for 20 secondary schools.

'When I heard about ICAEW's initiative to develop financial capability and the work they were doing with pfeg, it sounded like a fantastic way of developing our community programme, and for me personally to give something back to the customers of the financial services organisations that I'd worked for', he said.

'At the start, it was me and other ICAEW members signing up and getting partnerships with teachers. What we did then in the Coventry was to take that forward. We've trained up over 60 members of staff now who can go and deliver this training across over 20 schools.'

'I would really recommend it to other members of ICAEW. It's a fantastic way of using the financial capabilities you have to give something back to the communities you operate in, and it also gives you a great insight into your future consumers and customers. As well as that it helps with your professional development: presenting to a group of 14 year old children can be quite a challenge in itself.'

[icaew.com/financialcapability](http://icaew.com/financialcapability)

## In the spotlight

## Financial review

Our financial statements for 2010 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 £76.4m, £2.7m higher than in 2009. The retained surplus after tax for the year was £1.8m (2009: £0.7m).

Net assets at 31 December 2010 were £29.3m, an increase of £7.9m over 2009 net assets of £21.4m. Cash and cash equivalents ended the year at £10.3m, reflecting a net cash inflow of £0.3m in the year. Total cash and investments, stood at £41.1m at the end of the year, an increase of £2.9m on 2009.

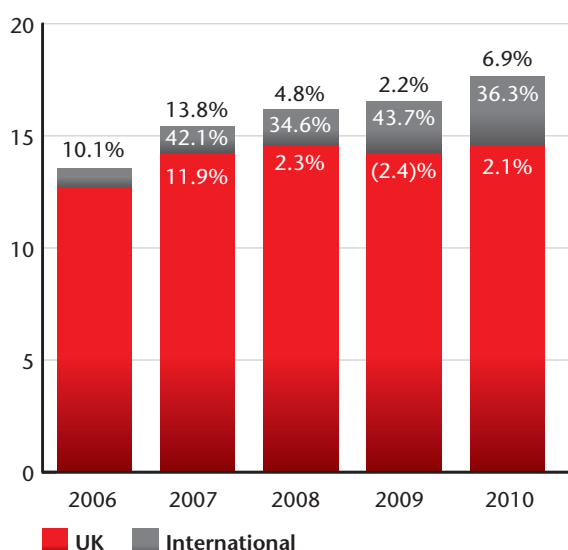
The consolidated outcome for the year, including the results of ICAEW's charitable trusts, was a surplus after tax of £2.0m (2009: £1.1m).

### Student and membership growth

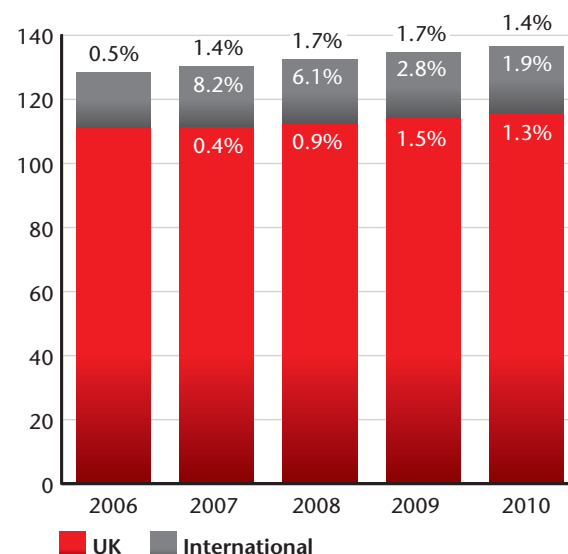
2010 ACA student intake of 5,652 (2009: 4,854) was the highest for 19 years and reflects both increases in our market share in the UK and growth in our number of overseas students. Total ACA student numbers at the end of 2010 stood at 17,653 (2009: 16,517). In addition 625 students signed up for our foundation level Certificate in Finance, Accounting and Business (2009: 342).

Membership grew by 1.4% to 136,615, from admissions of newly qualified students to membership, together with reciprocal and similar arrangements with members of other institutes.

Student growth ('000)



Membership growth ('000)



## Income

Revenue from members' fees and subscriptions rose by 3.4% to £36.0m. Other income, outside of core fees and subscriptions, increased by £1.5m to £40.4m in 2010.

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

Professional standards income, including from practice regulation together with disciplinary-related income, reduced by £0.5m to £13.7m.

Revenues from our commercial initiatives increased in the year to £4.6m (2009: £3.9m).

During 2010, the final Joint Disciplinary Scheme (JDS) case was concluded and resulted in fines of £0.4m and cost recoveries of £2.1m being returned to ICAEW by the scheme.

Investment income increased 28% to £1.8m following a review of our investment policy and objectives in 2009.

## Expenditure

Operating expenditure increased by 1.9% over the year to £74.5m. We have continued to exert tight control over our costs, while investing in our strategy.

Learning and professional development expenditure reduced by 4.5% to £14.8m (2009: £15.5m) as a result of restructuring carried out during the year, continued cost control, and the transfer of certain international responsibilities to the regional teams.

Within our regional teams costs increased to £8.1m from £6.5m in 2009 as we continued to invest in supporting our members and students locally in the UK while continuing to develop our international regional network.

During 2010 we charged costs of £5.1m to the income statement in relation to the Accountancy and Actuarial Discipline Board (AADB), an increase of £3.0m on 2009. This reflects the funding required for their increasing case load.

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.

## Tax

The net corporation tax charge for the year was £0.1m (2009: £0.1m credit).

## Pensions

ICAEW's defined benefits pension scheme was closed to future 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, reducing to £3.5m a year thereafter until the deficit is eliminated. We have also agreed to increase funds held in escrow should there be a breach of our financial covenants, from £5.0m to £10.0m. A charge remains over Chartered Accountants' Hall.

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

The 2010 actuarial valuation of the scheme has not yet been completed but is expected to show a deficit as at 31 March 2010 of £22.6m. The deficit funding arrangements referred to above are intended to eliminate the deficit in around five years. We are working with the trustee to develop and implement an investment strategy intended to make the scheme entirely self-sufficient by 2025.

The IAS 19 deficit on the scheme at 31 December 2010 was £5.7m (2009: £14.8m) following a year of good investment performance in addition to the impact of closing the scheme to future accrual and deficit funding contributions.

## Financial position

Net assets at 31 December 2010 were £29.3m - an increase of £7.9m on the 2009 position. The most significant movement within net assets was the reduction in ICAEW's share of the pension deficit to £5.4m from £14.2m in 2009 discussed above.

During 2010 the market value of our long-term investments increased to £30.8m from £28.2m in 2009. In addition, the value of Chartered Accountants' Hall, together with our silver collection and antiques, increased by £1.2m in total, following a reduction in 2009 of £1.8m. Chartered Accountants' Hall was valued at £8.9m at 31 December 2010.

Trade and other payables were £28.2m (2009: £26.8m). This increase reflects our continued focused approach to working capital management as well as an increase in 2011 regulatory income in advance.

We have provided £8.8m (2009: £5.3m) of costs relating to the AADB at 31 December 2010 reflecting their increasing 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 as to 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 2010 were £10.3m. Net cash inflow was £0.3m compared to a £1.3m inflow in 2009. Our cash profile fluctuates on an annual cycle, this year peaking at £36.2m in March and bottoming out at £4.9m in November.

We continued to focus on working capital management with a net inflow of £0.4m in the year in that area. Funding of the JDS and the AADB saw a cash outflow of £2.2m (2009: £2.5m).

ICAEW provided £6.2m (2009: £3.9m) of funding to the Staff Pensions Fund, in line with the current agreement.

Capital expenditure was £2.7m (2009: £3.3m). We expect to spend £3.0m of capital expenditure in 2011.

The auditor has issued unqualified reports on the full financial statements and on the consistency of the annual review and financial review with those full financial statements.

## 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 at the address listed on the back cover of this review.

# Summary financial statements

## Summary group income statement For the year ended 31 December 2010

	2010			2009 restated <sup>1</sup>		
	Income £m	Expenditure £m	Net £m	Income £m	Expenditure £m	Net £m
Subscriptions and fees	36.0	-	36.0	34.8	-	34.8
Learning and professional development	11.8	(14.8)	(3.0)	11.8	(15.5)	(3.7)
Professional standards	13.7	(14.2)	(0.5)	14.2	(14.5)	(0.3)
Member services	4.6	(10.6)	(6.0)	3.9	(10.3)	(6.4)
Regional services	0.1	(8.1)	(8.0)	0.1	(6.5)	(6.4)
Technical strategy	3.9	(9.1)	(5.2)	3.8	(9.0)	(5.2)
Central activities	-	(10.9)	(10.9)	0.1	(10.8)	(10.7)
Charitable trusts	0.2	(1.2)	(1.0)	0.3	(1.3)	(1.0)
	70.3	(68.9)	1.4	69.0	(67.9)	1.1
Joint Disciplinary Scheme	0.4	2.2	2.6	-	(0.1)	(0.1)
Accountancy and Actuarial Discipline Board	1.4	(5.1)	(3.7)	0.9	(2.1)	(1.2)
Other regulatory and professional associations	0.8	(2.9)	(2.1)	0.8	(3.1)	(2.3)
	2.6	(5.8)	(3.2)	1.7	(5.3)	(3.6)
Other income - licence and data access fees	1.9	-	1.9	1.9	-	1.9
<b>Operating result</b>	<b>74.8</b>	<b>(74.7)</b>	<b>0.1</b>	<b>72.6</b>	<b>(73.2)</b>	<b>(0.6)</b>
Investment income	2.0	-	2.0	1.6	-	1.6
<b>Result before taxation</b>	<b>76.8</b>	<b>(74.7)</b>	<b>2.1</b>	<b>74.2</b>	<b>(73.2)</b>	<b>1.0</b>
Taxation			(0.1)			0.1
<b>Net result after taxation</b>			<b>2.0</b>			<b>1.1</b>

1 The presentation of the income statement has been revised to reflect current responsibilities more accurately; 2009 figures have been re-analysed in line with this presentation, this has no impact on the previously reported net assets or result.

► **Summary ICAEW income statement**  
For the year ended 31 December 2010

	<b>2010</b>			<b>2009 restated<sup>2</sup></b>		
	Income £m	Expenditure £m	Net £m	Income £m	Expenditure £m	Net £m
Subscriptions and fees	36.0	-	36.0	34.8	-	34.8
Learning and professional development	11.8	(14.8)	(3.0)	11.8	(15.5)	(3.7)
Professional standards	13.7	(14.2)	(0.5)	14.2	(14.5)	(0.3)
Member services	4.6	(10.6)	(6.0)	3.9	(10.3)	(6.4)
Regional services	0.1	(8.1)	(8.0)	0.1	(6.5)	(6.4)
Technical strategy	3.9	(9.1)	(5.2)	3.8	(9.0)	(5.2)
Central activities	-	(10.3)	(10.3)	0.1	(10.2)	(10.1)
	70.1	(67.1)	3.0	68.7	(66.0)	2.7
Joint Disciplinary Scheme	0.4	2.2	2.6	-	(0.1)	(0.1)
Accountancy and Actuarial Discipline Board	1.4	(5.1)	(3.7)	0.9	(2.1)	(1.2)
Other regulatory and professional associations	0.8	(2.9)	(2.1)	0.8	(3.1)	(2.3)
	2.6	(5.8)	(3.2)	1.7	(5.3)	(3.6)
Other income - licence and data access fees	1.9	-	1.9	1.9	-	1.9
Gift aid and library funding	-	(1.6)	(1.6)	-	(1.8)	(1.8)
<b>Operating result</b>	<b>74.6</b>	<b>(74.5)</b>	<b>0.1</b>	<b>72.3</b>	<b>(73.1)</b>	<b>(0.8)</b>
Investment income	1.8	-	1.8	1.4	-	1.4
<b>Result before taxation</b>	<b>76.4</b>	<b>(74.5)</b>	<b>1.9</b>	<b>73.7</b>	<b>(73.1)</b>	<b>0.6</b>
Taxation			(0.1)			0.1
<b>Net result after taxation</b>			<b>1.8</b>			<b>0.7</b>

2 The presentation of the income statement has been revised to reflect current responsibilities more accurately; 2009 figures have been re-analysed in line with this presentation, this has no impact on the previously reported net assets or result.



► **Summary statements of financial position**  
As at 31 December 2010

	Note	2010 £m	2009 £m	Group 2008 £m	2010 £m	2009 £m	ICAEW 2008 £m
<b>Assets</b>							
Non-current assets	2	64.5	60.1	58.6	53.2	49.9	49.8
Current assets		20.3	19.6	18.5	19.8	19.1	18.2
<b>Total assets</b>		<b>84.8</b>	<b>79.7</b>	<b>77.1</b>	<b>73.0</b>	<b>69.0</b>	<b>68.0</b>
<b>Liabilities</b>							
Current liabilities		(34.1)	(30.8)	(29.4)	(33.6)	(30.4)	(29.1)
Non-current liabilities		(10.4)	(17.8)	(10.5)	(10.1)	(17.2)	(10.1)
<b>Total liabilities</b>		<b>(44.5)</b>	<b>(48.6)</b>	<b>(39.9)</b>	<b>(43.7)</b>	<b>(47.6)</b>	<b>(39.2)</b>
<b>Total net assets</b>		<b>40.3</b>	<b>31.1</b>	<b>37.2</b>	<b>29.3</b>	<b>21.4</b>	<b>28.8</b>
<b>Reserves</b>							
Revaluation reserve		5.3	4.2	5.9	5.3	4.2	5.9
Investment revaluation reserve		2.6	1.3	(0.1)	2.6	1.3	(0.1)
Accumulated fund		17.5	10.0	17.0	17.3	9.9	16.9
Faculties		1.0	0.5	0.5	1.0	0.5	0.5
Practice regulation <sup>3</sup>		-	2.5	2.6	-	2.5	2.6
Chartered Accountants' Compensation Scheme		3.1	3.0	3.0	3.1	3.0	3.0
Charitable trusts		10.8	9.6	8.3	-	-	-
	3	<b>40.3</b>	<b>31.1</b>	<b>37.2</b>	<b>29.3</b>	<b>21.4</b>	<b>28.8</b>

Approved on behalf of the council



**Gerald Russell** President  
15 March 2011



**Michael Izza** Chief Executive

3 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 2010

	Group		ICAEW	
	2010	2009	2010	2009
	£m	£m	£m	£m
Cash generated from operating activities	9.4	9.0	9.3	8.7
Cash outflow on pension liabilities	(6.2)	(3.9)	(6.2)	(3.9)
Cash outflow on JDS and AADB	(2.2)	(2.5)	(2.2)	(2.5)
Purchase of property, plant and equipment	(1.6)	(2.5)	(1.6)	(2.5)
Purchase of intangible assets	(1.1)	(0.8)	(1.1)	(0.8)
Deferred consideration received	1.0	1.0	1.0	1.0
Net (purchase)/disposal of available for sale investments	(0.7)	(0.1)	(0.5)	0.1
Investment income received	1.7	1.4	1.6	1.2
<b>Net increase in cash and cash equivalents in the year</b>	<b>0.3</b>	<b>1.6</b>	<b>0.3</b>	<b>1.3</b>
Net cash and cash equivalents at 1 January	10.5	8.9	10.0	8.7
<b>Net cash and cash equivalents at 31 December</b>	<b>10.8</b>	<b>10.5</b>	<b>10.3</b>	<b>10.0</b>

## Notes to the summary financial statements For the year ended 31 December 2010

### 1 Basis of preparation

The summary financial statements have been extracted from ICAEW's full financial statements for the year ended 31 December 2010, 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		
	2010	2009	2008	2010	2009	2008
	£m	£m	£m	£m	£m	£m
Carrying amounts						
Property, plant and equipment	19.0	17.2	18.2	19.0	17.2	18.2
Intangible assets	2.7	2.4	2.6	2.7	2.4	2.6
Investments in associated undertakings	0.1	0.1	0.1	-	-	-
Available for sale investments	42.0	38.3	34.8	30.8	28.2	26.1
Deferred consideration receivable	0.5	1.5	2.5	0.5	1.5	2.5
Deferred tax asset	0.2	0.6	0.4	0.2	0.6	0.4
	<b>64.5</b>	<b>60.1</b>	<b>58.6</b>	<b>53.2</b>	<b>49.9</b>	<b>49.8</b>

### 3 Reserves

	Revaluation reserve £m	Investment revaluation reserve £m	Accumulated fund £m	Self-financing reserves £m	Charitable trusts £m	Group Total £m
<b>Reserves at 1 January 2010</b>	<b>4.2</b>	<b>1.3</b>	<b>10.0</b>	<b>6.0</b>	<b>9.6</b>	<b>31.1</b>
Net result after taxation	-	-	1.4	0.5	0.1	2.0
Re-classification of practice regulation reserves to accumulated fund <sup>4</sup>	-	-	2.5	(2.5)	-	-
Increase in valuation of property, plant and equipment	1.2	-	-	-	-	1.2
Net change in market value of long-term investments over cost	-	1.8	-	-	0.9	2.7
Actuarial gains recognised in year on defined benefit pension scheme	-	-	4.0	0.1	0.2	4.3
Deferred tax attributable to above	(0.1)	(0.5)	(0.4)	-	-	(1.0)
Total comprehensive income/(expense) in the year	1.1	1.3	7.5	(1.9)	1.2	9.2
<b>Reserves at 31 December 2010</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>

	Revaluation reserve £m	Investment revaluation reserve £m	Accumulated fund £m	Self-financing reserves £m	ICAEW Total £m
<b>Reserves at 1 January 2010</b>	<b>4.2</b>	<b>1.3</b>	<b>9.9</b>	<b>6.0</b>	<b>21.4</b>
Net result after taxation	-	-	1.3	0.5	1.8
Re-classification of practice regulation reserves to accumulated fund <sup>4</sup>	-	-	2.5	(2.5)	-
Increase in valuation of property, plant and equipment	1.2	-	-	-	1.2
Net change in market value of long-term investments over cost	-	1.8	-	-	1.8
Actuarial gains recognised in year on defined benefit pension scheme	-	-	4.0	0.1	4.1
Deferred tax attributable to above	(0.1)	(0.5)	(0.4)	-	(1.0)
Total comprehensive income/(expense) in the year	1.1	1.3	7.4	(1.9)	7.9
<b>Reserves at 31 December 2010</b>	<b>5.3</b>	<b>2.6</b>	<b>17.3</b>	<b>4.1</b>	<b>29.3</b>

4 From 2010 the former practice regulation reserves have been amalgamated into the accumulated fund.

## ► 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 2010.

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

We have examined summary financial statements of The Institute of Chartered Accountants in England and Wales (ICAEW) for the year ended 31 December 2010, 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 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 and the summary financial statements. Our responsibility is to report to you our opinion on the consistency of the summary financial statements within the annual review with the full annual report and financial statements. We also read the other information contained in the annual review and summary financial statements and consider the implications for our report if we become aware of any apparent mis-statements or material inconsistencies with the summary financial statements. The other information comprises only the annual review 2010 and financial review.

### Basis of audit opinion

We conducted our work in accordance with Bulletin 2008/3 **The Auditor's Statement on the Summary Financial Statement in the UK** 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, the financial review and the corporate governance statement.

### Opinion

In our opinion, the summary financial statements are consistent with the full financial statements of ICAEW for the year ended 31 December 2010.



**Grant Thornton UK LLP**  
Registered Auditor  
Chartered Accountants  
London

15 March 2011

# List of council members

as at 31 December 2010

The attendance record at meetings of council in 2010 is shown alongside each member (actual/possible).

## President

### Gerald Russell (6/6)

Consultant

## Deputy-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

## Vice-President

### Mark Spofforth (5/6)

Partner, Spofforths

### Caroline Al-Beyerty (5/6)

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

### Paul Aplin (6/6)

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

### Michael Arnold (4/6)

Elected, South Eastern  
Consultant

### Malcolm Bacchus (6/6)

Elected, London  
Finance Director, Vyke Communications plc  
and Principal, Baccma Consulting

### Andrew Baigent (6/6)

Elected, London  
Director General, National Audit Office

### Arthur Bailey (6/6)

Elected, Staffs, Salop & Wolverhampton  
Consultant, Begbies Traynor Group and  
Non-Executive Director

### John Ball (4/6)

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

### Mark Barnish (4/6)

Elected, Staffs, Salop and Wolverhampton  
Consultant

### Carl Bayley (5/6)

Elected, Scotland  
Director, Bayley Miller Ltd

### Tony Bennewith (5/6)

Elected, South Eastern  
Senior Partner, A J Bennewith and Co.

### Penny Bickerstaff (4/6)

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

### Evie Bowyer (4/4) See Note 1

Elected, London  
Director, EVB Training Consultancy Ltd

### Heather Cheesman (5/6)

Elected, South Eastern  
Manager, Spofforths

### Ian Cherry (6/6)

Elected, North West  
Director, A I Cherry Ltd

### David Chitty (4/6)

Elected, Croydon  
Partner, Crowe Clark Whitehill LLP

### Michael Colin (4/6)

Elected, Manchester  
Independent consultant

### John Collier (2/6)

Elected, London  
Director, Clive & Stokes International,  
Executive Search

### Dennis Cox (4/6)

Elected, London  
CEO Risk Reward Limited

### Nick Cudmore (4/6)

Elected, Humberside & District  
Partner, Duncan & Toplis

### Jimmy Daboo (5/6)

Elected, London  
Partner, KPMG LLP

### Feroze Dada (4/6)

Elected, London  
Senior Partner, Freeman & Partners

### Ashish Dave (4/6)

Co-opted, member in the UAE  
Executive Director, ABRAAJ Capital Limited

### Ian Davies (6/6)

Elected, Southern  
Chairman, The Independent Director Ltd

### Andrea Dunhill (4/6)

Elected, Croydon  
Principal Lecturer, Accounting and Finance,  
Kingston University Business School

### Frank Edwards (6/6)

Elected, South Wales  
Director, CODA Business Management Ltd

### David Evans (2/6)

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

### Keith Ferguson (5/6)

Elected, South Wales  
Director, KB Ferguson Ltd, Chartered  
Accountants

### Susan Field (5/6)

Elected, London  
Sole Practitioner

### Owen Finn (5/6)

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

### Richard Frost (6/6)

Elected, Sheffield & District  
Audit Partner, Hawsons

### David Furst (4/6)

Ex officio, Past President  
Chairman, Crowe Clark Whitehill LLP, London

### Graeme Gordon (4/6)

Elected, Thames Valley  
Executive Director/CEO, Praxity

### Bill Graham (3/6)

Elected, Northern  
Consultant

### Richard Green (5/6)

Ex officio, Corporate Finance Faculty  
representative  
Chairman, August Equity LLP

### Howard Gross (5/6)

Elected, London  
Chief Executive, Gross Klein

### Martin Hagen (5/6)

Ex officio, Past President  
Non-executive Director, South West Water  
and Swallowfield plc and deputy chairman,  
Regulatory Decisions Committee, Financial  
Services Authority

### Barrie Harding (6/6)

Elected, South Essex  
Sole Practitioner

**Richard Harwood (6/6)**

Elected, Birmingham & West Midlands  
Principal, Harwoods

**Michael Hawley (3/6)**

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

**Ian Hayes (5/6)**

Elected, London  
Managing Director, Vataxworld Ltd

**Christopher Heaton (3/6)**

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

**John Hilton (3/6)**

Elected, West of England  
Practice Director, Thring Townsend Solicitors

**Marion Hodgkiss (5/6)**

Elected, Liverpool  
Kaplan Financial Ltd

**Philip Hollins (4/6)**

Elected, London  
tba

**Alistair Hollows (6/6)**

Elected, Manchester  
Director, IFA Mentor Ltd

**Richard Hopkins-Burton (3/6)**

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

**Nigel Hughes (6/6)**

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

**Chris Humphrey (6/6)**

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

**Stephen Huyton (6/6)**

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

**Constantine Ioannou (5/6)**

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

**Peter Jenkins (5/6)**

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

**Jeremy Jennings (3/6)**

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

**Suwei Jiang (1/6)**

Co-opted, younger member  
Director, PwC China Business Centre

**Grant Jones (5/6)**

Elected, London  
London Office Partner, Cooper Parry LLP,  
Solicitor and New York Attorney

**Martyn Jones (6/6)**

Co-opted, Chairman,  
Ethics Standards Committee  
National Audit Technical Partner, Deloitte LLP

**Neeraj Kapur (3/6)**

Co-opted, member in financial institution  
Managing Director, Lombard Asset  
Finance Group

**George Kourris (4/4) See Note 2**

Co-opted, member in the EU  
Partner, Ernst & Young

**Robin Liddell (6/6)**

Elected, Northern  
Director, RS Liddell Consulting Ltd

**Hilary Lindsay (6/6)**

Elected, Leics & Northants  
Business School Lecturer and E-learning  
consultant

**Alan Livesey (6/6)**

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

**Andrew Lovelady (4/6)**

Elected, Liverpool  
Group Finance Director, Ethel Austin  
Property Group

**Ara Martirosian (4/6)**

Elected, South Eastern  
Managing Director, Red IT Solutions Limited

**Barry Matthews (6/6)**

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

**David Matthews (4/4) See Note 2**

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

**Cameron Maxwell (5/6)**

Elected, South Essex  
Consultant, Avesco Group plc

**David McBride (5/6)**

Elected, London  
tba

**Roger Merchant (6/6)**

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

**Robert Millea (6/6)**

Elected, East Anglian  
Vice Chairman, West Suffolk College  
and Consultant

**Peter Mitchell (5/6)**

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

**Sheilagh Moffat (6/6)**

Elected, Birmingham & West Midlands  
Partner, Moffat Gilbert

**Alfred Morris CBE (3/6)**

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

**Gerry Murphy (4/6)**

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

**Nick Parker (3/6)**

Elected, Southern  
Regional Director of Tax, RSM Tenon

**Michael Pavia (4/6)**

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

**Philip Pawson (3/6)**

Elected, West Yorkshire  
Barrister and consultant

**Andrew Ratcliffe (4/6)**

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

**Chris Sanger (2/6)**

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

**Ann Shaw (2/6)**

Elected, North West  
Managing Director,  
Parkfoot Holiday Homes Ltd

**Robert Sheffrin (5/6)**

Elected, Manchester  
Compliance Director, Braemar Securities

**Andy Simmonds (3/6)**

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

**Philip Smith (5/6)**

Ex officio, representative of the Finance and  
Management Faculty  
Turnaround Specialist



**Joe Smoczynski (4/6)**

Co-opted, member in the EU  
President, Baker Tilly & Smoczynski  
& Partners Sp.zoo

**Christopher Spokes (6/6)**

Elected, East Anglian  
Partner, Bidwells

**Elizabeth Stanton (2/6)**

Elected, London  
Partner, Ernst & Young LLP

**Nathan Steinberg (6/6)**

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

**Mike Sturgess (6/6)**

Elected, South Western  
Managing Director, Swat UK Ltd

**Jonathan Teller (6/6)**

Ex officio, representative of the Information  
Technology Faculty Consultant

**John Tiernay (5/6)**

Elected, Liverpool  
Partner, TiernayFedrick

**Peter Tucker (6/6)**

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

**Paul Wagstaff (5/6)**

Elected, Thames Valley  
Partner, Thames Valley, Rouse Partners LLP

**David Walker (5/6)**

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

**Eric Wiles (3/6)**

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

**Fiona Wilkinson (6/6)**

Elected, South Western  
Principal, Fiona Wilkinson

**Alan Wintersgill (2/6)**

Elected, West Yorkshire  
Senior Partner, Naylor Wintersgill

### The following were also members of council during the year 2010:

*Retired with effect from 9 June 2010*

**Graham Durgan (2/2)**

Co-opted, Member in business  
Chairman, Emile Woolf, Thomas Murray,  
Non-Executive Directors Association and  
Durgan Monstein plc

**Richard Dyson (1/2)**

Ex officio, Past President  
Director of various charities

**Tony Lomas (1/2)**

Co-opted, Chairman, Insolvency Committee  
Chairman, Business Recovery Services  
Division, PricewaterhouseCoopers LLP

**Gareth Pearce (0/2)**

Co-opted, senior member in practice  
Chairman, Smith & Williamson

**Richard Reid (0/2)**

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

**Nicos Syrimis (2/2)**

Co-opted, member in the EU  
Chairman, KPMG, Cyprus

**Peter Wong (2/2)**

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

*Resigned with effect from 6 October 2010*

**Victoria Alexander (3/5)**

Co-opted, younger woman  
member in business  
Fixed Income Controller, Goldman Sachs

### The following have been co-opted to council since 31 December 2010

*With effect from January 2011*

**Jan Babiak**

Senior member in business  
with sustainable expertise  
Logica plc

*With effect from 18 February 2011*

**Edward Chow**

HKICPA representative

**Notes**

- 1 Elected wef 9 June 2010
- 2 Co-opted wef 9 June 2010

**Senior management team 2010****Michael Izza**

Chief Executive

**Robin Fieth**

Executive Director, Finance & Operations

**Robert Hodgkinson**

Executive Director, Technical Strategy

**Mark Protherough**

Executive Director,  
Learning & Professional Development  
*With effect from 2 February 2010*

**Vernon Soare**

Executive Director, Professional Standards



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Our members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. We develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value.

**Because of us, people can do business with confidence.**

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