



LOOKING BACK AT 2010



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The full Annual Report for 2010 can be found on our website: www.att.org.uk

Our Vision

The vision of the Association of Taxation Technicians is to remain the leading educational body in the field of compliance tax law and practice.

The Association's mission is to:

- A) advance public education in and promote the study of the administration and practice of taxation and the principles of economic and political science in relation to taxation and public finance;
- B) (i) to prevent crime; and
(ii) to promote the sound administration of the law for the public benefit;

by promoting and enforcing standards of professional conduct amongst those engaged in the provision of advice and services in relation to taxation and monitoring and supervising their compliance with money laundering legislation.

To do this it:

- > provides through examination a qualification "Taxation Technician" for persons engaged in tax compliance work;
- > runs residential courses and one-day conferences;
- > publishes (jointly with the Chartered Institute of Taxation) the monthly journal *Tax Adviser*;
- > issues annotated copies of Finance Acts and other technical material;
- > liaises with and makes submissions to the Revenue authorities and Government on the improvement and simplification of taxation compliance issues and relevant tax legislation;
- > maintains standards of professional conduct for members; and
- > provides eligibility to take the examination of the Chartered Institute of Taxation.

President's Statement

In a year featuring a General Election and three Finance Acts, the 2010 calendar year also saw the Association celebrate its twenty-first birthday. This important milestone in ATT history provided the ideal opportunity to reflect on our past achievements and focus our attention on future goals. I hope you find the accompanying commemorative snapshot of our twenty-one years informative and entertaining.

Examinations

Despite the obvious economic downturn, the fall in student registrations was not as dramatically felt as first anticipated. As a result, during 2010 a total of 1,870 candidates attempted 3,345 examination papers achieving a very pleasing 2,280 passes.

As President I am delighted to congratulate all the successful candidates and also to welcome those who have passed the required four papers for membership.

New members have the opportunity, along with their guests, to attend one of our Admission Ceremonies held twice yearly at the House of Lords, a fitting occasion to mark the dedication and hard work necessary in meeting the requirements for membership.

The modular examination structure has now been in place since 2007 and a full review has been undertaken with proposed changes to take effect from the May 2012 examination sittings.

You will find greater detail in Natalie Miller's report as Chair of the Examinations Committee in our Annual Report which you can find on our website: www.att.org.uk.

Members and Students

Membership numbers continued to grow and by the end of December 2010 there were 6,867 members out of a total body of 11,534 including students and affiliates.

Following the successful members' and students' survey undertaken the previous year, the Member and Student Services Committee chaired by Stuart McKinnon reviewed the benefits of membership of the ATT. Consequently, new benefits of membership have been introduced, including the quarterly Technical Newsletter and the Tax Enquiry support service offered by McGrigors.

The review of membership benefits is ongoing but I would like to take this opportunity to remind members that the annual membership subscription is still excellent value for money. All members receive complimentary copies of *Tolley's Tax Guide*, *Hardman's Tax Tables* and the *Annotated Finance Act*. The cover price of these publications alone exceeds the annual membership subscription charge, and members can obtain tax relief on their subscription.

Fellowship

To mark our coming of age, and in response to feedback from the membership survey, I was delighted to be able to announce that from 1 January 2011, members with ten years of membership are eligible to apply for Fellow status. Those qualifying for this prestigious membership category will be able to use the designatory letters ATT(Fellow) and the title Taxation Technician (Fellow).

I am delighted to report that many long-standing members have already taken the opportunity for greater recognition of their longevity in the profession.

Website

One of the biggest projects undertaken at Artillery House in the past year has been the major revamp of the website. I would like to thank all of those involved, in what I trust you will agree has been a major improvement on the old version.

The site is now far more interactive with students being able to register online, membership subscriptions paid and delegates able to book places at our conferences.

The development work is ongoing and in the not too distant future candidates will be able to register online to sit our examinations.

I must make special mention and vote of thanks to Jane Ashton who put considerable time and effort into the development of the new ATT website.

6,867

Number of members at the end of December 2010 out of a total body of 11,534 including students and affiliates.



Below left: ATT Presidents past and present. Left to right; Roy Jennings, Erica Stary, Peter Gravestock, Frank Collingwood, John Kimmer, Trevor Johnson, Anthony Thomas, Andrew Hubbard, Les Beckett, Jean Jesty, Annie Bailey, David Stedman, Simon Bradley. **Bottom right:** View from the top of 30 St Mary's Axe – the venue for the ATT's 21st anniversary reception.



In a year featuring a General Election and three Finance Acts, the 2010 calendar year also saw the Association celebrate its twenty-first birthday





Above: New members at the admission ceremony held on 15 April 2010 at the House of Lords. **Left:** Sussex Branch's Autumn Conference and 'Meet the ATT President' held on 16 October 2010. Left to right; Paul Coe, Deborah King, Tracy Easman, Sussex Branch Secretary, Simon Braidley, ATT President, Robin Stevenson, Sussex Branch Chairman, Nigel Kingsley, Tanya Hiscock, ATT Branch representative, Paula Tomlinson. **Below:** David Stedman taking the helm of both the ATT and HMS Belfast at the President's Reception held on 24 March 2010.



The development by HMRC for a policy on 'Working with Tax Agents' means that it is important for our members that the ATT is seen as a major player in any consultation process



President's Statement

Continued

Professional Standards

The joint ATT/CIOT Professional Standards Committee has had a very busy year.

The latest edition of Professional Conduct in Relation to Taxation was issued which deals with the often complex relationship between the tax adviser, the client and HMRC.

Following an extensive review, the updated Professional Rules and Practice Guidelines is due for release in early 2011. This guidance also complies with Scottish and Northern Irish Law and fits with the principles laid down by the International Federation of Accountants.

On 1 January 2011 the new Continuing Professional Development (CPD) regulations came into effect. Important changes have been made and although the same overall time requirement remains, the new guidance reflects the move by many to online training. The full guidance is available on the ATT website.

Annual Conferences and Branch Network

Many members take the opportunity to build up their CPD hours by attending the ATT annual conferences held at venues around the country including Stirling and Belfast. Looking forward, 2011 will see the number of conferences increase from eight to nine venues and as always the subject matter is topical to reflect our ever changing working environment.

The Branch network will be familiar to many of you but to help encourage more ATT members to attend meetings we have worked hard to develop a network of ATT Representatives who sit on local Branch committees and receive newsletters from Head Office informing them of recent ATT initiatives and updates on other relevant ATT issues.

The support of the ATT Branch Representatives is greatly appreciated and very important in aiding better communication links with members. The Association and Branch Representatives are working hard to ensure that Branch meetings are relevant and accessible to all ATT members and your support of the Branch network by attending meetings not only gains you valuable CPD hours but is an ideal opportunity to meet and share knowledge with your peers.

I would also like to thank the efforts of all the Branches in hosting special ATT 21st Anniversary events throughout the year. Myself, fellow Officers and professional staff have appreciated the warm welcome we have received as we have travelled around the country and the support for ATT the Branches and members have shown.

Technical

I began my report with reference to three Finance Acts during the year. Needless to say the time available to make necessary responses becomes squeezed and the work of our Technical Officer John Kimmer, Deputy President and Chair of Technical Committee Andrew Meeson and the volunteers on Technical Committees was outstanding.

We have representatives on all the relevant HMRC and HM Treasury initiatives, in particular 'Working Together' at both national and local level and as always I thank all those involved.

The Future

There are many new challenges facing the Association in the coming months and years. The development by HMRC for a policy on 'Working with Tax Agents' means that it is important for our members that the ATT is seen as a major player in any consultation process.

I am pleased to report that in our coming of age year all the evidence suggests that the ATT is seen by HM Treasury and HMRC as a major player in the UK tax world.

This recognition is thanks in no small part to all the professional staff at Artillery House and the volunteers on the various committees who display service before self in their support of the ATT.

And finally...

On a personal note, my year in office is made all the more easy by the tireless work of Sue Fraser our Executive Officer and Andy Pickering our Executive Director so a big thank you to you both.

Thanks also to my fellow Officers, Andrew Meeson and Stuart McKinnon for their fantastic support and also immediate past Presidents David Stedman and Annie Bailey, my fellow Council members and all the members and students I have met during my term in Office.

Simon Bradley, President

148

Number of members with **Fellowship status** at March 2011.

Highlights and key decisions of 2010

In his Statement the President has referred to a number of highlights for 2010, so I shall confine my comments to other important issues or to expand on those matters that Simon has referred to.

Presidential year

In our various reports in *Tax Adviser* and our Annual Report we often refer to the growing influence of the ATT with Government and the professional world. To give you an example of this, the President of the day (David Stedman to 7 July and Simon Braidley from 7 July) attended 73 events of which only 32 were ATT events. Where the President could not attend, the Deputy President attended in his place on 18 occasions and where he could not attend the Vice-President stood in on 7 occasions. I am sure you will appreciate the dedication of the officers in ensuring that the Association is represented at every event to which it is invited and that every opportunity is taken to promote your professional body.

21st anniversary

I hope it did not escape your notice that the Association celebrated its 21st year during 2010 having been formed on 30 August 1989. When formed, the thinking was that we would have 2,000 members by the year 2000 and that we might grow by about 2,000 every ten years. At the end of 2000 we actually had 3,601 members and at 31 December 2010 we had 6,867 members, so we have proved to be far more successful than our founder members thought possible.

We held a reception at 30 St Mary's Axe (the Gherkin) to which we invited guests from other professional bodies, professional firms, members and former Presidents. The storyboards that were displayed at the venue can be found on the reverse of this Review.

Fellowship

As Simon has mentioned in his Statement, we were delighted that in the Association's 21st year we were able to introduce a new category of membership: that of Fellowship.

It is felt that Fellowship is a just reward for having been a member for 10 years and recognises seniority, status and expertise. Our hope is that as many of you as possible will take advantage of this enhanced category of membership and that we see an increasing number of individuals using the designatory letters ATT(Fellow). As at the date of preparing this report 148 members had taken up Fellowship status.

Business development

During the year we started to implement our business development plan, which was formulated during 2009. Through this plan we expect to increase the number of registered students, not just with the firms/organisations who currently employ our students, but also amongst the wider business community. The full implementation and success of this plan will not happen overnight and will take several years.

Technical Officer

Over the past few years the Association has become more involved with Government departments, most notably HMRC. This resulted in the Technical Committee recognising that it needed more resources to be able to respond to consultations, particularly those that would affect the work of our members. As reported in the Annual Review for 2009, interviews were held to recruit a part-time Technical Officer. The interviewing panel was hugely impressed with the calibre of the candidates and had a difficult decision to make. John Kimmer, a former President, who has the unique distinction of being the only President to have served in two millennia, was chosen. A report on the work of the Technical Committee since John joined the team in April can be found on page 14.

Examination Prizewinners

Each year Council holds a lunch for the examination prizewinners. This is normally held in late March for the preceding year's successful candidates. The 2010 prizewinners attended their lunch on 22 March 2011. Council was delighted with the achievement of the prizewinners as the standard they reached was quite exceptional. The list of the prizewinners can be found on page 17.

73

Number of events attended by the President of the ATT during the year showing the growing influence of the organisation with Government and the professional world.



Top: Officers for 2010 – 2011. Left to right; Andrew Meeson, Deputy President, Simon Braidley, President and Stuart McKinnon, Vice-President. **Middle left:** Thames Valley Branch, Reading venue, "Meet the President" and 21st Anniversary celebration held on 3 November 2010. Left to right; Sue Fraser, ATT Executive Officer, Frank Collingwood, Thames Valley Branch Secretary and ATT representative, Elizabeth Anfield, Thames Valley Branch Chairman, Simon Braidley, ATT President. **Middle right:** ATT sponsored the Tax Writer of the Year award at the annual taxation awards ceremony 2010. Left to right; Hugh Dennis, Mike Thexton, winner of the award, David Stedman, President at the time, Chris Jones, LexisNexis. **Bottom:** Simon Braidley delivering his inaugural speech as President at the AGM held on 7 July 2010.



In our various reports in *Tax Adviser* and our Annual Report we often refer to the growing influence of the ATT with Government and the professional world.



Top left: David Stedman presenting Xavier Headley with his membership certificate. **Top right:** Simon Bradley presenting Rachel Holloway with her membership certificate. **Middle:** New members at the admission ceremony held at the House of Lords on 14 October 2010. **Bottom:** New members at the House of Lords, Molly Payne, Rebecca Thornton, Rebecca Warttig.



As a registered charity we are required to ensure that we operate for the public benefit. We believe that our educational and standards activities do satisfy this requirement.



Highlights and key decisions of 2010

Continued

Professional standards

Apart from having proved their technical competence in passing their professional examination, two requirements that members of professional bodies have to undertake are compulsory continuing development and compliance with a code of conduct. In observing both these requirements we give members of the public an assurance that their affairs are being dealt with competently and in a professional manner.

During 2010 two elements of the code of conduct for members were updated. These were the Professional Conduct in Relation to Taxation (PCRT) and Professional Rules and Practice Guidelines (PRPG). The former became effective from 4 January 2011 and the latter on 31 March 2011.

The PCRT addresses the tripartite relationship between the tax adviser, the client and HMRC. It gives concise, practical and ethical guidance on a wide range of issues including what steps a member should take if their client refuses to make a full disclosure or HMRC makes an overpayment and what information, if any, should be disclosed to a new adviser.

The PRPG is shorter and more accessible than the previous version and follows the five fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour as set out by the International Federation of Accountants (IFAC).

Members should make themselves familiar with both documents to ensure that they are aware of their obligations. Both can be found on our website: www.att.org.uk

Taxation Disciplinary Board (TDB)

The TDB was established by the Association and the CIOT in 2001 to determine complaints against their members. It was constructed in such a way that other bodies could join if they so wished. During the year the Councils of the ATT and CIOT and the Board of the TDB approved an application to join the TDB from the Institute of Indirect Taxation (IIT). The IIT will play a full part in the TDB from 2011.

Working with Tax Agents

From October 2010, representatives from the six professional bodies involved with Working Together, namely: ATT, CIOT, ICAEW, ACCA, ICAS and AAT have held a number of meetings with senior HMRC officials to discuss HMRC's strategy on Working with Tax Agents. The proposals will allow tax agents to self-serve across a range of transactions on behalf of their clients, but will also require such agents to overcome certain hurdles to be able to interact with HMRC's systems. The consultation document should be issued in May 2011 with a response date of sometime in July 2011. It is strongly recommended that members read this document and then let us have your views.

3,345

Number of examination papers attempted during the year. Out of this total 2,280 were passed.

President's Advisory Committee

Simon Braidley <i>Chairman</i>	Stuart McKinnon	David Stedman
Annie Bailey	Andrew Meeson	Phil Waller

Member and Student Services Committee

Stuart McKinnon <i>Chairman</i>	Louise Duffy*	Katharine Lindley*
Anne Anderson*	Simon Groom	James McBrearty*
Jane Ashton	Tanya Hiscock	Pat Nown*
Ross Burgess*	Steven Holden*	Richard Todd*
Bernard Critchley	Hayley Levene*	

Finance Advisory Group

Phil Waller <i>Chairman</i>	Jean Jesty*	Andrew Shearer*
Jeremy Coker	Ralph Pettengell	

Examination Committee

Natalie Miller <i>Chairman</i>	Amanda Fisher	Sue Short <i>Chief Examiner</i>
Annie Bailey	David Lynas	

Technical Committee

Andrew Messon <i>Chairman</i>	Peter Gravestock*	Yvette Nunn
Graham Batty*	Paul Hill*	Brian Palmer
Trevor Blackmur	Nick James*	Nicola Ross Martin*
Ann Elmer*	Jean Jesty*	Mike Steed
Margaret Ferguson*	Gillian McClenahan*	Stephen Taylor*
	John Kimmer	<i>Technical Officer</i>

Professional Standards Committee (joint with the Institute)

Rosalind Upton <i>Chairman</i>	Karen Eckstein	David Stedman
Matt Coward*	Julian Nelberg*	
Tracy Easman	Dean Shepherd*	

Marketing Committee

Chris Jones <i>Chairman</i>	Jane Ashton	Louise Duffy*
Linda Allen*	Annie Bailey	Trevor Johnson*
Anne Anderson*	Larry Darby*	

* Co-opted member

Highlights and key decisions of 2010

Continued

Finances

As at 31 December 2010 our investment portfolio had climbed to £626,570 from the figure of £538,838 at the same time last year. This amounts to a percentage rise of just over 16% and has now recovered in full the losses arising in 2008.

For 2010 the net outgoing resources before other gains and losses were £4,480 (2009: outgoing resources of £26,180). Taking into account the gain on our investments, the net result for the year is a surplus of £83,272 (2009: increase of £19,208).

This is a particularly satisfying result bearing in mind we have accounted for £100,000 website development costs that were budgeted to be dealt with over four years.

Governance

Since its formation the Association's Council has been involved in most of the decision making insofar as it is related to governance, members and students. The Association has now reached a stage where such involvement by Council is not sustainable. Therefore, a governance working party was formed to make recommendations on how the affairs of the Association should be dealt with by Council, the Committees and the professional staff. It is hoped that the working party will present its final report during 2011 with its recommendations being implemented by the end of next year.

Charitable objective and Public Benefit

As a registered charity we are required to ensure that we operate for the public benefit. We believe that our educational and standards activities do satisfy this requirement. The Committee reports in our Annual Report for 2010, which can be found on our website, demonstrate how the Association has fulfilled the public benefit requirement under the Charities Act 2006.

3,601

Number of members at the end of December 2010 – the original aim was to have 2,000 members by the end of the year.

Andrew Pickering, Executive Director

Representations on committees of the Institute

Officers Group

Simon Braidley

Technical Committee

Andrew Meeson

Education Committee

Natalie Miller

Membership Committee

Bernard Critchley

Chris Jones

Yvette Nunn

Examinations Sub-Committee

Natalie Miller

Annie Bailey

Amanda Fisher*

David Lynas*

Sue Short* *Chief Examiner*

Treasurer's Committee

Phil Waller

Audit Committee

Peter Gravestock* *Chairman*

Simon Groom

Tax Adviser Sub-Committee

Tanya Hiscock

Jean Jesty*

Communication and Brand Management

Chris Jones *Chairman*

Natalie Miller



Left: Examination prizewinners from the May and November 2010 sitting of the examination. Left to right; Ivan Houston, Hayley Woodward, Charles Gurr, Nurena Tarafder, Rickie Lowery, Andrew Carson, Brittany Cicero, Gemma Haggan, Simon Braidley, Lara Babic, Elidh McFadzean, Jennifer Adams, Laura O'Sullivan, Lesley Diston, Julie Thomas. **Bottom left:** Simon Braidley presenting the Association Medal to Lara Babic for the May 2010 sitting of the examination. **Bottom right:** Simon Braidley presenting the Association Medal to Brittany Cicero for the November 2010 sitting of the examination.



Council was delighted with the achievement of the prizewinners as the standard they reached was quite exceptional.

Below: Council members at the President's Reception held on board HMS Belfast. Left to right; Stuart McKinnon, Tracy Easman, Simon Groom, Tanya Hiscock. **Bottom left:** Simon Bradley with Diane Burleigh, Chief Executive of the Institute of Legal Executives. **Bottom right:** Simon Bradley with Andrew McKenzie-Smart, Chairman of the South London & Surrey Branch.



Our Technical Committee works towards a simpler and more understood tax system for the general public and not just for the represented.

Public Benefit

The Association is a registered charity and has an obligation to operate for the public benefit. This does not mean for the entire population and can refer to a section of the public. As an educational charity our focus is very much on education; not just of our members, but also to the general public.

We will be making changes to our examination structure with effect from May 2012, the outline of which is:

- > The existing Paper 7 on practice administration and ethics will be removed from the syllabus following the November 2011 sitting. This in no way suggests that we do not consider these topics to be of importance but instead reflects our experience that students find it difficult to approach these potentially rather dry topics in isolation. Consequently, practice administration will be tested on each of the individual papers insofar as it relates to that paper.
- > In place of Paper 7, students will need to sit two e-assessments, one in law and one in ethics, each taken from a syllabus and question bank shared with CIOT. Some law and ethics issues will continue to be included in Papers 1 to 6, where relevant.
- > The current paper on Business Taxation: Higher Skills will be renamed Corporate Taxation to better distinguish it from the Business Taxation & Accounting Principles paper. It is not intended to be purely a corporation tax paper; rather it will focus on the tax issues that affect corporate businesses and their owners.

In addition to the examination we held our annual tax conference at eight locations around the country. This conference, as well as the student training conference, is open to all and not just members.

Our Technical Committee works towards a simpler and more understandable tax system for the general public and not just for the represented. It responds to consultations from HMRC and HM Treasury. With the ever increasing tax legislation its work continues to grow and there seems little chance that this will change in the future.

One of the principal aims of the Member and Student Services Committee is the provision and development of education and training for members, registered students and the general public, which includes potential students and members. This encompasses a range of services all of which are focused on the education of all. Conferences are clearly important in this respect, but the Committee also supports the provision of tax books and other technical publications to members. The Committee also ensures that members comply with their CPD obligations, which gives members of the public an assurance that ATT members are up to date with their knowledge of taxation.

Our Professional Standards Committee, joint with the CIOT, works towards achieving the Association's charitable aim of producing Taxation Technicians of the highest ethical standards by developing a code of conduct and guidance on their dealings with the revenue authorities. This gives members of the public the assurance that their affairs will be dealt with in an appropriate manner.

£626,570

Amount in **investment portfolio** at December 2010. This represents an increase of 16% from last year's figure of £538,838.

Honorary officers:

President: Simon Braidley BA(Hons) ATT(Fellow) (2003) (E)
Deputy President: Andrew Meeson MA(Cantab) ATT(Fellow) CTA (2007) (E)
Vice-President: Stuart McKinnon ATT(Fellow) CTA (1999) (E)
Honorary Treasurer: Philip Waller ATT CTA FCA (2004) (E)

Council:

Jane Ashton ATT (2005) (E)
 *Annie Bailey BA(Hons) ATT(Fellow) CTA FCA (1997) (E)
 Trevor Blackmur ATT (2010) (E)
 Jeremy Coker BSc(Hons) ATT CTA FCCA (2008) (E)
 Bernard Critchley BSc ATT CTA AIT (2006) (E)
 Karen Eckstein LLB(Hons) ATT CTA Solicitor (2008) (E)
 Simon Groom BSc ATT CTA FCA (2003) (E)
 Tanya Hiscock ATT MAAT (2009) (E)
 Chris Jones BA(Hons) ATT CTA(Fellow) (2006) (N)
 Natalie Miller BA(Hons) ATT CTA(Fellow) (2006) (N)
 Yvette Nunn ATT CTA(Fellow) MAAT (2000) (E)
 Brian Palmer ATT FMAAT (2010) (E)
 Ralph Pettengell ATT FPFS ACII (2006) (E)
 *David Stedman ATT(Fellow) (2001) (E)
 Michael Steed ATT CTA(Fellow) MAAT (2009) (E)
 Patrick Stevens CTA(Fellow) FCA (2010) (Exo)

N Nominated Member
 Exo Ex-officio member

E Elected Member
 * Indicates Past President

The year of appointment to Council is shown in brackets.

The work of the Technical Committee

2010 was probably the busiest year for the Technical Committee since it was formed in 1999. It is a credit to the members of the Committee that they rose to the challenge and contributed to the many Consultation and Discussion Documents issued by HMRC as well as reviewing the contents of the unprecedented three Finance Bills produced during this year.

The Finance Bills

Finance Bills were introduced in March and July and the Autumn. The Bill published in March received scant debate as it was rushed through the parliamentary process in view of the general election. The June Finance Bill gave the committee more time to prepare submissions in response to the proposals included in the Bill and submissions were made on eight of these, in particular in relation to Pay-as-you-earn (PAYE) improvement, furnished holiday lettings and the substantial changes proposed in relation to pensions. For the Autumn Finance Bill the committee made submissions on nine areas covered in the Bill including some of the VAT proposals as well as employment related provisions and furnished holiday lettings again. The year ended with the issue in early December of draft clauses for the Finance Bill 2011, but more about that next year.

Discussions with HMRC/HMT

During this year HMRC have brought forward many proposals for change in relation to the way the tax system applies as well as seeking ways to bridge the tax gap. These have ranged from proposals to change the fundamental way in which PAYE works to legislation in relation to 'deliberate wrongdoing' and managing deliberate defaulters. The Committee has responded to as many of these documents as possible which are considered to be of particular relevance to the members of ATT.

The proposals in relation to changes in the PAYE system were, in the main, criticised as being too much too soon before giving the National Insurance and PAYE Scheme (NPS) system introduced in 2009 a real opportunity to bed down and prove its efficiency. Although some of the more radical proposals have been deferred, it appears that certain proposals are to be implemented in the near future. We are involved in the ongoing discussions with HMRC in this connection.

One of the discussion documents which provoked much criticism from the ATT and the other professional bodies was one entitled 'Working with Tax Agents' which seemed to be concerned solely with the small number of agents who, in the eyes of HMRC, are guilty of 'deliberate wrongdoing'. As a result of a firm stance by all the professional bodies, the proposals were withdrawn for reconsideration by HMRC.

Not to be confused with deliberate wrongdoing by tax agents is the proposal for managing deliberate defaulters which is aimed solely at taxpayers who have been found to have evaded significant amounts of tax. These proposals have included both the publication of the names of deliberate defaulters who have evaded very significant amounts of tax and the additional monitoring of those who have evaded smaller amounts.

34

Number of **branches** run in conjunction with the Chartered Institute of Taxation.

10

Number of years of membership with which members are eligible to apply for **Fellow status**. By March 2011, 148 members had taken up Fellowship status.

Another matter which has taken a considerable amount of time during this year, has been the issue by HMRC of a number of toolkits covering various aspects of the tax system. A total of 20 toolkits are planned, although some have been issued after the end of the year. The original concept was a list of the common errors seen by HMRC in work sent in by agents, but this escalated into very substantial documents for each topic, with significant amounts duplicated in each toolkit. The major concern of ATT has been that, in view of the new penalty regime, the use of these toolkits was not required for the agent to demonstrate that the agent has taken 'reasonable care' when dealing with the tax affairs of a client when a mistake is discovered. This work is ongoing in 2011.

Regular forums with HMRC

ATT engages in discussion with HMRC in regular forums to deal with different aspects of the tax system. The Working Together partnership between HMRC and the six professional bodies is a prime example where, through discussions both at the national steering group meetings and at meetings around the country, the 'grit in the system' can be exposed to HMRC and solutions to problems found. This forum has helped to design new systems for registering partnerships, agents for on-line filing, review the HMRC system for dealing with post and obtaining the agreement of HMRC not to stop sending some copy letters and forms to agents which had been proposed as part of the overall cost cutting exercise.

Other regular forums with which ATT participates with HMRC include the Joint VAT Consultative Committee, Employer Consultation Forum, Benefits & Expenses Group, Compliance Reform Forum and High Net Worth Forum. Other work often comes out of these forums, for example, the Alternative Dispute Resolution project where ATT has been closely involved with HMRC in setting up a pilot scheme where cases which appear to have reached a stalemate can, with the agreement of the taxpayer and his agent, be referred to a facilitator who will consider the case carefully and discuss the position with each party with a view to achieving a compromise settlement.

Technical Support

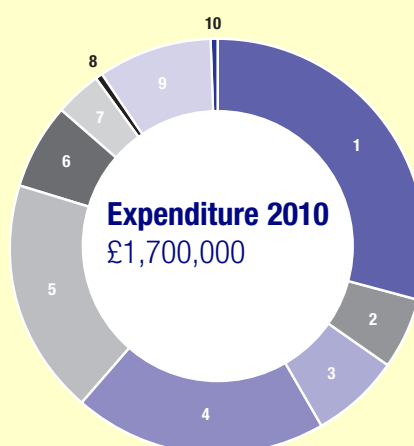
The work of the Technical Committee has been enhanced during the year by the appointment of the ATT's first Technical Officer, John Kimmer. John had originally set up the Technical Committee when President in 1999 and served on the Committee for many years. Although only working on a part-time basis, John has increased the capacity for the work which can be done by the Technical Committee, even though it still has to be selective in its approach because of the limited number of volunteers involved.

21

Age of the ATT. The Association celebrated its **twenty-first year** during 2010 having been formed on 30 August 1989.

At a glance

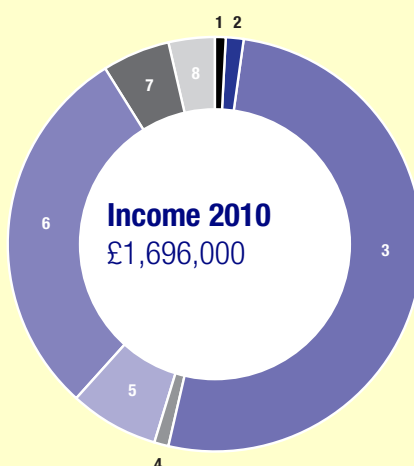
Expenditure – 2010		£'000
1	Salary costs	504
2	Accommodation	78
3	Support costs – CIOT	109
4	Membership	366
5	Student	279
6	Website cost	100
7	Promotional costs	117
8	Grants	10
9	Governance costs	135
10	Investment costs	2
Total		1,700



How do we spend our income?

The wheel opposite sets out the major categories of expenditure for 2010. The largest category of expenditure continues to be our staff costs which have increased by 3% compared with 2009. This is in line with the increased activity which we need to undertake to look after the growing numbers of members and students to ensure that the level of satisfaction that we strive to deliver is maintained. In particular, we aim to continue to provide the publications to you that we know are very much appreciated from your members survey feedback. This year's expenditure includes the full costs involved in the development of our new website and so is a one-off for this year.

Income – 2010		£'000
1	Activities for generating funds	39
2	Investment funds	23
3	Subscription fees	931
4	Entrance fees	19
5	Student registration fees	136
6	Examination fees	425
7	Conference fees	68
8	Sales of books and merchandise	55
Total		1,696



From where do we derive our income?

You will see from the chart that more than half of our income comes from your membership subscriptions and a further 34% is derived from registered students, primarily through entrance fees, registration fees and examination entry fees. Indeed, the number of students grew steadily throughout the year and stood at 4,667 at 31 December 2010. In the current economic climate, we are endeavouring to keep our future member and student subscription costs as low as we are able in an effort to help all of you in these difficult times.

List of Past Presidents

1989-1992	Roy L Jennings
1992-1994	Robin M Ivison
1994-1995	Erica F M Stary
1995-1997	Peter S Gravestock
1997-1999	R Frank Collingwood
1999-2001	John M Kimmer
2001-2002	Trevor Johnson
2002-2003	Anthony D Thomas
2003-2004	Andrew N Hubbard
2004-2005	Leslie Beckett
2005-2007	Jean Jesty
2007-2008	J Richard Geldard
2008-2009	Annie J Bailey
2009-2010	David W Stedman

List of Honorary Members

1995	Robin M Ivison
1998	Erica F M Stary
2000	Ronald J Ison
2001	John Jeffrey-Cook
2002	Peter S Gravestock
2002	R Frank Collingwood
2003	John M Kimmer
2004	Trevor Johnson
2006	Roy L Jennings
2007	The Rt Hon the Lord Freeman
2007	The Rt Hon the Lord Howe of Aberavon

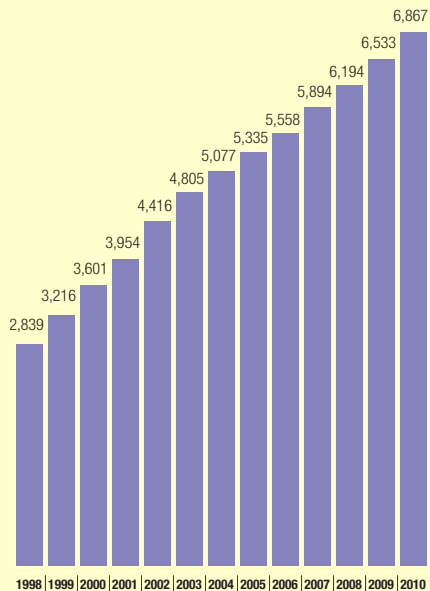
List of Senior Staff

<i>Executive Director:</i>	Andrew R Pickering
<i>Executive Officer:</i>	Susan M Fraser
<i>Tax Policy Director:</i>	D John Whiting
<i>Operations Director:</i>	Mary Foley
<i>Head of Professional Standards:</i>	Jonathan Crump
<i>Head of Education:</i>	Rosalind J Baxter
<i>Head of Member Services:</i>	Phillip Pearson

List of Past Secretaries

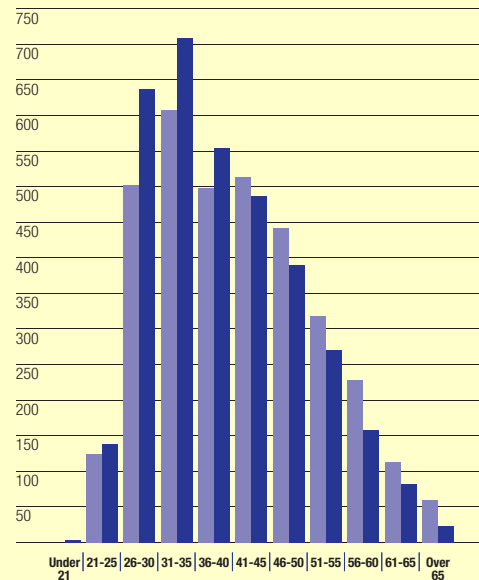
1989-1991	Malcolm J Gammie
1991-1992	Erica F M Stary
1992-1994	Bianca M Marsden

Numbers of Association Members
At the end of each of the following years



Numbers of Association Members
At the end of each of the following years

■ Male ■ Female



2010 Examinations – May	Number of candidates	Number passing
Personal Taxation	453	343
Business Taxation and Accounting Principles	419	240
Business tax: Higher Skills	299	160
IHT, Trusts and Estates	57	48
VAT	30	21
Business Compliance	52	47
Practice Administration and Ethics	481	309

2010 Examinations – November	Number of candidates	Number passing
Personal Taxation	366	262
Business Taxation and Accounting Principles	410	292
Business tax: Higher Skills	253	185
IHT, Trusts and Estates	61	43
VAT	46	31
Business Compliance	49	38
Practice Administration and Ethics	369	261

Prizes and medals were awarded as follows:

	May	November
Association Medal (best overall performance)	Lara Rosina Babic	Brittany Cicero
Ivson Medal (Personal Taxation paper)	Jennifer Amy Adams	Hayley Woodward
Jennings Medal (Business Taxation and Accounting Principles Paper)	Ivan Roman Charles Houston	Brittany Cicero
Stary Medal (Business Taxation: Higher Skills paper)	Lara Rosina Babic	Charles Edward Gurr
Kimmer Medal (IHT, Trusts and Estates paper)	Gemma Haggan	Eilidh Gillian McFadzean
Gravestock Medal (VAT paper)	Rickie Lowery	Lesley Diston
Collingwood Medal (Business Compliance paper)	Laura Elizabeth O'Sullivan	Andrew Carson
Johnson Medal (Practice Administration and Ethics paper)	Rosalind Elizabeth Caffyn	Nurena Tarafder
LexisNexis Prize (highest total marks when taking all four papers at one sitting)	Lara Rosina Babic	Brittany Cicero

It is also a pleasure to announce that, in addition to the exceptional papers produced by the prizewinners, an award of the President's Medal was made for the May examination sitting to Julie Rachel Thomson. This is a discretionary award to an outstanding candidate who would not otherwise be eligible for a prize.

Summarised Financial Statements

For year ended 31 December 2010

Financial Statements

The summary financial statements are a précis of the information contained in The Association of Taxation Technicians' Annual Report and Financial Statements for the year ended 31 December 2010. They do not contain sufficient information to allow a full understanding of the results and state of affairs of the Association. For further information, the Annual Report and Financial Statements should be consulted. They can be viewed or downloaded from our website at www.att.org.uk

These summary financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards and were approved by the Council Members on 22 March 2011 and signed on its behalf by S J Bradley (President), P Waller (Treasurer) and A R Pickering (Executive Director). The Independent Auditor's opinion on the full financial statements was unqualified.

Independent Auditor's Statement to the members of the Association of Taxation Technicians

We have examined the summary financial statements for the year ended 31 December 2010.

Respective responsibilities of directors and the auditor

The council members (who are directors and also the trustees of the Association) are responsible for preparing the summary financial statement in accordance with applicable United Kingdom law. Our responsibility is to report to you our opinion on the consistency of the summary financial statement with the full annual financial statements, and its compliance with the relevant requirements of Section 427 of the Companies Act 2006 and the regulations made thereunder.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practice Board. Our report on the company's full annual financial statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the summary financial statements are consistent with the full annual financial statements of The Association of Taxation Technicians for the year ended 31 December 2010 and complies with the applicable requirements of Section 427 of the Companies Act 2006 and the regulations made thereunder.

Baker Tilly UK Audit LLP

Statutory Auditor
Chartered Accountants
1st Floor, 46 Clarendon Road
Watford WD17 1JJ

19 May 2011

Summary Statement of Financial Activities for the year ended 31 December 2010	2010 £'000	2009 £'000
Incoming Resources		
Incoming Resources from generated funds	62	41
Incoming Resources from charitable activities	1,634	1,609
Total Incoming Resources	1,696	1,650
Resources Expended		
Cost of generating funds	2	9
Charitable activities	1,563	1,521
Governance costs	135	146
Total Resources Expended	1,700	1,676
Net outgoing resources before other recognised gains and losses	(4)	(26)
Unrealised gain on investment assets	88	45
Net movement in funds	84	19
Reconciliation of funds		
Total funds brought forward at 1 January	1,144	1,125
Total funds carried forward at 31 December	1,228	1,144

Summary Balance Sheet as at 31 December 2010	2010 £'000	2009 £'000
Fixed Assets		
Tangible Fixed Assets	–	6
Investments	627	539
Total Fixed Assets	627	545
Current Assets		
Stock	12	12
Debtors	55	36
Cash on short term deposits and at bank	1,206	1,235
	1,273	1,283
Creditors		
Amounts falling due within one year	(556)	(558)
Net Current Assets	717	725
Total assets less current liabilities	1,344	1,270
Creditors		
Amounts falling due after more than one year	(116)	(126)
Net assets	1,228	1,144
Income Funds		
Unrestricted:		
Designated	414	450
General	814	694
Total Funds	1,228	1,144

These accounts are not the statutory accounts. This is a summary of information relating to the Statement of Financial Activities and the Balance Sheet. The full accounts from which these summary financial statements have been derived have been externally scrutinised by audit. The full annual accounts can be obtained from the website of the Association. The annual accounts were approved on 22 March 2011.

The summary financial statements do not contain information from the directors' report. The auditor's report was unqualified.

Biographies of Council Members

Jane E C Ashton

Age 43. Joined Council in 2005. Became a member of the Association in 1993. Jane has worked in various Directorates in the former Inland Revenue and is now a Senior Policy Adviser for HMRC Individuals Customer Unit, based in London. A member of the Member and Student Services Committee since 1996 and a member of the Marketing and Website working parties.

Annie J Bailey

Age 50. Joined Council in 1997. President from July 2008 to July 2009. Qualified as a chartered accountant in 1985. Passed the ATII (as it was then) examinations in 1987, taking first place overall and winning the Institute Medal and the Butterworths Prize. Member of the Marketing working party, Chairman of Technical Committee from July 2007 to July 2008, representing the Association on the Technical Committee of the Chartered Institute of Taxation. Chairman of Member and Student Services Committee 2006 to 2007. Member of the Examinations Sub-Committee with the Institute, and Chairman of the Examination Committee with overall responsibility for co-ordination of the Association's examinations from July 2000 to July 2007. Examiner for the Association from 1989 to 2007. Senior Tax and Trust Services Manager with Menzies, specialising in capital taxes and the taxation and administration of trusts and estates.

Trevor R Blackmur

Age 50. Joined Council in 2010. Trevor began his career in tax at the end of 2000 with a small local firm, working in personal tax and payroll. He qualified as a member of the Association in May 2005. In 2007 he became a member of the Technical Committee and amongst other things represents them on the HM Revenue & Customs Employment Consultation Forum and the Benefits and Expenses Sub-Group. Trevor has recently set up in practice on his own, continuing to provide taxation and payroll services to individuals, sole traders and small businesses.

Simon J Braidley

Age 46. Joined Council in 2003 and appointed President in July 2010. Became a member of the Association in 1998. After graduating from Sheffield and serving time with the Inland Revenue, several international and then smaller accountancy firms, he operated his own practice. Now working in the City of London for niche tax firm Hampden Tax Consultants, who specialise in the Lloyd's insurance market. Also a former registered member in practice, South West Region Branches Coordinator and Chairman of the Severn Valley Branch, Chairman of the Member and Student Services Committee and wrote the ATT Editorial pages for *Tax Adviser* for many years.

Jeremy Coker

Age 46. Joined Council in 2008. Has served the London Branch in various capacities and is currently Chairman. A member of the Institute's Owner Managed Business Technical Committee. Tax partner with a West End firm of chartered accountants, Auerbach Hope.



Jane Ashton



Annie Bailey



Trevor Blackmur



Simon Braidley



Jeremy Coker

Bernard Critchley

Age 54. Joined Council in 2006. Became a member of the Institute in 1993 and of the Association in 2003. Previously worked with national firms then smaller accountancy firms, he also operated his own practice for seven years. Now working as a Tax Manager with a firm of Chartered Accountants in Dorset. A member of the Member & Student Services Committee and former member of the Institute's Membership Committee. Also a former registered member in practice, South West Region Branches Coordinator and Past Chairman and Founder Member of Somerset & Dorset Branch.

Karen M Eckstein

Age 44. Joined Council in 2008. Became an associate member of the Institute in 1993 and has been a member of the Joint Professional Standards Committee for many years. Partner in Lake Legal LLP, a firm of solicitors, based in Leeds, advising on tax litigation and tax related professional negligence claims. In 2007 Karen received a "highly commended" award for Tax Lawyer of the Year at the LexisNexis Taxation awards.

Simon J Groom

Age 48. Joined Council in 2003. Qualified as a chartered accountant in 1987 with Arthur Young and became an Associate of the Institute in 1991. Since qualifying has been involved with training in some form for the past 23 years and has lectured regularly at Association and Institute student conferences. He is now Head of National Tax Training at Tolley, part of LexisNexis, and was involved with the implementation of the new examination structure. He is a member of the Member & Student Services Committee and Audit Committee.

Tanya Hiscock

Age 34. Tanya joined Council in 2009 having been a member of the Member and Student Services Committee since 2006. Qualified as a member of the Association in 2003. Specialising in Trust Tax at Thomas Eggar LLP, a firm of Solicitors on the South Coast. Tanya is also the ATT representative on the Sussex Branch committee.

Chris Jones

Age 43. Joined Council in 2006. Qualified as a member of the Association in 1992 and as an associate of the Institute in 1994. Training ATT and CTA students since 1995 and is currently Director of Tax & Accountancy at LexisNexis. Lectures around the branches and at both ATT and CIOT conferences. Chairs the ATT Marketing Committee. Appointed to the Council of the Institute in 2003 and is chairman of its Communications and Brand Management Committee.

Stuart G McKinnon

Age 53. Joined Council in 1999 and appointed Vice-President in July 2010. Having qualified as a CTA in 1985 spent 20 years working for Big 4 accounting practices before joining The Charlton Williamson Partnership in Newcastle Upon Tyne as a partner in 1996. Current chairman of Member and Student Services Committee and past chairman of the Examination Committee. Writes the ATT Editorial page in *Tax Adviser*.



Bernard Critchley



Karen Eckstein



Simon Groom



Tanya Hiscock



Chris Jones



Stuart McKinnon

Biographies of Council Members

Continued

Andrew Meeson

Aged 50. Joined Council (and Association) in 2007, appointed Deputy President in July 2010. Joined Institute in 1993 after winning Institute Prize in 1990 at Intermediate level. Joined Technical Committee in 2006 and has been its Chairman since 2008. Following a wide-ranging career spanning the Inland Revenue, Price Waterhouse and HBOS Group, now runs a Midlands-based company offering specialist tax and pension support to entrepreneurial clients. Lectures widely on tax and pension-related issues.

Natalie A Miller

Age 47. Natalie was nominated as a CIOT member of ATT Council in 2005. She passed ATT examinations with a Distinction in 1993 and ATIL (as it was then) in 1995. After time in the personal tax departments of KPMG and Ernst & Young in Norwich and Luton, Natalie has worked for PwC in Norwich for the last ten years in the Tax Knowledge & Innovation Group, where she specialises in personal and trust taxation. She is Chairman of the ATT Examination Committee. Natalie was appointed to the Council of the CIOT in 2004 and is a member of its Capital Gains Tax and Investment Income Technical Sub-Committee and the Communications and Brand Management Committee. She is also currently completing her second term as Chairman of East Anglia Branch.

Yvette E Nunn

Age 46. Joined Council in 2000. Became a member of the Association in 1993. Member of the Technical Committee. Chairman of Birmingham and West Midlands Branch 1997-1999. Member of the Council and Membership Committee of the Institute. Director for the Birmingham office of Berkeley Associates.

Brian A Palmer

Age 52. After working in practice and passing the Association of Accounting Technicians (AAT) qualification turned self-employed as general practitioner in 1994. He very quickly appreciated that in order to offer an all round service to his clients he needed to sit the ATT exams, which he did, passing in 1999. In 2000 he joined AAT Council becoming President in 2006. For most of his time on AAT Council he acted as its lead representative on the Working Together Steering Group (WTSG) and was also the founder of the e-services subgroup of the WTSG.

Ralph Pettengell

Age 50. Joined Council in 2006. Member of the Finance Advisory Group. Following the sale of his business, Chambers and Newman, in December 2007, Ralph created a new Financial Service Business and is the Chief Executive of Carbon Footprint Investments Plc. Ralph was a Registered Independent Financial Adviser for 11 years and prior to that held senior management roles at the Britannia Building Society and Halifax Building Society's IFA arm. One of the first in the UK to obtain the Fellowship status by examination of the Society of Financial Advisers FSFA, now known as FPFS, also holds the ACII qualification specialising in Pensions and a Chartered Financial Planner.



Andrew Meeson



Natalie Miller



Yvette Nunn



Brian Palmer



Ralph Pettengell

David W Stedman

Age 60. Joined Council in 2001. President from July 2009 to July 2010. Became a member of the Association in 1993 and is a past Chairman of the Member and Student Services Committee on which he has served since 1998. Previous Chairman of the Joint Professional Standards Committee. Registered member in practice since the scheme commenced in April 1997. Chairman of Sussex Branch for four years from 1999 to 2003. Joined the Inland Revenue after leaving school and then worked for a local accountant until establishing his own practice in 1993.

Michael Steed

Age 57, trained and qualified with Coopers and Lybrand (now PwC). He is a Fellow of the CIOT and a member of the AAT. He joined the ATT Council in 2009 and also sits on the ATT technical committee. Michael has practised in all areas of taxation and specialises in SMEs and indirect taxation. He is now a specialist tax presenter for Kaplan Financial. He was awarded the AAT Past President's Award in 2004 for services to AAT members for his CPD training. Michael is also a CCH tax editor.

Patrick T Stevens

Age 61. Joined Council in 2010 as representative of the Institute. Vice President of the Institute. Previous Chairman of Membership and Branches Committee of the Institute. Tax Partner at Ernst & Young specialising in a range of tax areas including partnerships. Part of the internal team for the UK practice, the EMEIA region and Globally. Previously Tax Partner at BDO and smaller firms.

Philip Waller

Age 48. Joined Council in 2004. Honorary Treasurer and Chairman of the Finance Advisory Group since 2006 and a member of the Institute's Treasurer's committee. Tax partner with Mazars LLP in the Midlands and has joint responsibility for their Birmingham, Nottingham and Wolverhampton offices. A former Chairman of Leeds Branch and Secretary to the Birmingham and West Midlands Branch.

Executive Director, **Andrew R Pickering**

Age 61. Joined the Association in 1993 as its Deputy Secretary. Appointed Secretary 1994 and Executive Director in 2010. Previously with the Law Society of England and Wales where, over a 25-year period, he held various posts in the Legal Aid, Education and Training and Administration Divisions, gaining considerable experience in all aspects of administration. Past Secretary of the Taxation Disciplinary Board.



David Stedman



Michael Steed



Patrick Stevens



Philip Waller

Notice of Annual General Meeting

Notice is hereby given that the twenty-second Annual General Meeting of members of The Association of Taxation Technicians will be held at One Queen Anne's Gate, London SW1H 9BT on Thursday 7 July 2011 at 2.00pm.

Ordinary Business

1. To receive and adopt the Report of the Council for 2010.
2. To receive and adopt the audited Financial Statements of the Association for the year ended 31 December 2010.
3. To re-elect as Members of Council Trevor Blackmur, Tracy Easman and Brian Palmer who retire under Article 67.
4. To re-elect as Members of Council Simon Braidley, Jeremy Coker, Yvette Nunn, David Stedman and Phil Waller who retire under Article 76.
5. To re-appoint Baker Tilly UK Audit LLP as auditor of the Association.

By order of the Council

Andrew R Pickering, Executive Director

Artillery House
11-19 Artillery Row
London
SW1P 1RT

22 March 2011

Notes

- (a) A person entitled to attend and vote is entitled to appoint a proxy or proxies to attend and on a poll to vote instead of him or her. A proxy must be a Member of the Association. A form of proxy is enclosed with this notice for use in connection with the meeting. To be valid a form of proxy must reach the Executive Director of the Association at Artillery House, 11-19 Artillery Row, London SW1P 1RT not later than 48 hours before the time of the meeting.
- (b) A person who has appointed a proxy may nevertheless attend the meeting and vote, in which case any votes cast by the proxy will be superseded.