ANNUAL REVIEW

AND FINANCIAL SUMMARISED STATEMENTS

2013

Practical Tax People

Association of Taxation Technicians

ANNUAL REVIEW 2013
CONTENTS

The full Annual Report for 2013 can be found on our website: www.att.org.uk

CHARITABLE OBJECTIVES, VISIONS AND AIMS

The Association was registered as a charity in England and Wales in 1990 and its objective at that time, and until 2007, is that set out in sub-paragraph (a) below. In 2007 the Association became a supervisory body under the Money Laundering Regulations 2007 and it was necessary to add a further charitable objective and this is set out in sub-paragraph (b) below.

The Association's charitable objectives are 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

(c) (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;
- provides eligibility to take the examination of the Chartered Institute of Taxation.

The Coat of Arms

The Arms granted to the Association in 1990 with Supporters granted in 1997. The shield shows a gold cross, the Roman X, indicating the tithe or tenth paid in former times. The wheatsheaves represent produce or income and the sword of the Crown's officer is matched by the sword of the taxpayer's adviser. The chequered surround signifies the Court of the Exchequer which used counters on a chequered table-cloth to check calculations. Above the helm is a closed book representing abstruse written law, surmounted by an owl of wisdom. The Arms are supported by a pair of mute Swans, representing constancy, while the plant thrift grows from the banks on which they stand.

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PRESIDENT'S STATEMENT

It is a good job I am not superstitious, given that I took over the ATT Presidency on 1st January 2013, which, coincidentally also happened to be my thirteenth year on Council, but my link with the number thirteen ends there, as I have been a member of the ATT for more than twenty years.

An interesting year

2013 has been an interesting year for tax, I know I am exaggerating, but it really does feel as if tax has never been out of the headlines, as the press concentrates on the tax affairs of comedians and other household names, as well as the biggest names on the high street, on-line and the wider economy.

Tax as a career

However, tax is an excellent career and a career I have never looked back from. In our daily lives we have the opportunity to meet and work with an incredibly diverse group of people, providing a service to those who are the backbone of the UK economy. We will not be put off continuing to do the good work needed by so many, so I have worked hard with our technical team and our publicity officers to put the record straight and prove how much good we all do in the economy. Leading businesses through the maze of regulation, so they can legally comply with the growing regulations and ever tighter payment and reporting deadlines leaving them free so they can concentrate on their businesses, employing people and growing the UK economy.

Press coverage of taxation

Every angle of the media has questioned the tax and accounting affairs of some well-known businesses. I hope it goes without saying that the ATT does not, nor ever will condone abusive and aggressive tax avoidance schemes that have no other purpose than to reduce the tax bill of the user. However, I won't refer to any company by name, I would like to challenge the media on their assertions that companies are acting illegally when complying with tax law and claiming tax reliefs, they are following the law as created by Parliament on matters such as Transfer Pricing and Thin Capitalisation, or claiming Research and Development Allowances and Patent Box Relief. Politicians have jumped on the attack too, but when your clients claim loss relief, gift aid relief, and interest relief on loans I am certain that they were not doing so to save tax, but claim what was rightfully due, as they would rather not have incurred the loss, that good causes were supported by public funds, and that banks would actually lend to businesses so they don't have to mortgage their homes.

Yvette Nunn, President, Association of Taxation Technicians

Fellowship

As each year passes more and more of you will, through your own hard efforts, qualify to apply for Fellowship status. The Fellowship designation will speak for itself whether you are presenting to a prospective client or a potential employer. If you have ten years membership of the ATT and you can demonstrate that you have undertaken the necessary Continuing Professional Development to maintain your qualification and knowledge, you can apply for Fellowship by setting out in writing your career and experience post qualification. You can find a link on how to apply on our website at www.att.org.uk

Volunteers

It may be overlooked by those not close to us but the ATT is run by (unpaid) volunteers, we have only a handful of dedicated professional staff, based in London. A good job too, as our volunteers are based in all corners of the UK from which there will almost always be a direct route to the hub of the ATT. The volunteers are just like you, they are dedicated and passionate about promoting a career in tax, setting and marking exams fit for purposes, setting standards for a Taxation Technician, providing relevant membership benefits as well as working on the technical aspects that affect our members and users of tax advice.

If you enjoy working in tax and want to have a say in the future of the profession, have an interest in standards, exams, service or the technical aspects get in touch and join us.

May I finish by thanking every single volunteer who gives up their time freely for our students, members, the public and all users of tax advice. Together we make a great team as we can do far more together than just as individuals and we make tax great. Thank you very much for those past and present volunteers who got me involved, to our colleagues at The Chartered Institute of Taxation and thank you to our professional staff at Artillery Row.

Above: Natalie Miller, Deputy President, Yvette Nunn, President and Michael Steed, Vice President

Left: Christmas Carol Service – 12 December 2012

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ACHIEVEMENTS AND HIGHLIGHTS FOR 2013

2013 continued with the return to normality for the Association in respect of new members and students that we saw in 2012. At the turn of the year the number of members stood at 7,582, of which 324 were Follows, and we had 5,196 registered students.

It has also been a year when we increased our profile with the media in the number of times we have been quoted, particularly in the tax press. We have to thank Yvette for this success as she put in an extraordinary amount of time and effort in this respect.

All good news, but it does put pressure on the volunteers and the staff to at least maintain the standards that members, students and the general public expect from the Association.

Governance

New Articles of Association to replace our Memorandum and Articles of Association were approved at the Annual General Meeting held in July 2012. These new Articles moved many of the administrative and regulatory matters into Regulations which will save costly amendments having to be made to the old style document at AGMs. The Regulations were approved by Council in December 2013 and can be found on our website.

Certificates of Competency

We have an increasing number of certificate holders who have not yet gone on to achieve membership and they are an important part of the Association's "family". As such we have set up a working party to look at how the Association engages with certificate holders, and if anyone has any thoughts or suggestion we would like to hear from you.

Member's support services

One theme that came to the fore this year was the increasing difficulty, particularly for small firms and sole practitioners, to keep on top of the increasing complexity and volume, not only of tax legislation, but also the regulatory environment for those running their own businesses. This brings more pressure on workloads and it can sometimes be difficult to know who to turn to for support. Whilst many members see the ability to use the designatory letters ATT as one of the main benefits of membership, the Association is able to offer support and guidance to members who need it. In some cases this will involve identifying other organisations that could help, in others we might be able to solve the problem. But whatever the situation, we are here to offer assistance for members and one way to access this help is to call our helpline, details of which can be found on our website.

The main objective of the Student Steering Group (SSG) remains to supervise the students' programme from the point of each student's registration with the ATT, through the examination process and on to the stage where they are eligible for membership.

Whilst students remain the lifeblood of the ATT and the profession, we do recognise and take account of the role of employers and tutorial bodies as key stakeholders in their students' experience.

Jeremy Coker, Chairman, Student Steering Group

New students

Student registrations have remained consistent during the year. This, we believe, reflects the profession's recognition that our qualification remains fit for purpose by providing suitably trained professionals in an increasingly complex and highly regulated work environment.

As reported in last year's Review, we considered credits for those who have passed other examinations which we believe merit such recognition. Credits are now available for ATT examination papers from the following professional qualifications: ICAS; ICAI; CIOT and HMRC.

Higher apprenticeship in tax

We reported on the commencement of the apprenticeship programme last year. The

Simon Groom, Chairman, Member Steering Group

ACHIEVEMENTS AND HIGHLIGHTS FOR 2013

Professional Services (Higher Apprenticeship) provides a work-based training programme which includes a combination of on- and-off the job learning and development activities which, on satisfactory conclusion of the relevant tax pathway, leads to the ATT qualification. Our first apprenticeship students sat the examinations in May 2013. Their examination results were encouraging, as were those who sat in November. We now have over 170 apprentices and we expect to see more students taking this path to qualification as more employers embrace it as a training route for the next generation.

We have promoted the apprenticeship scheme to both employers and potential apprentices at the many careers fairs and professional conferences we have attended throughout the year, including at the Professions Week.

The Association joined forces with a group of 15 other professional bodies to develop the UK's first ever Professions Week which was launched at the House of Commons on 21st October. The initiative, which complements the government's social mobility and access to the professions agenda, also supports teachers and advisers, providing them with the relevant materials to help young people make better informed career decisions.

This year's exam results

We must congratulate each and every person who passed any of our examinations during the year. The volume of tax law just seems to keep on growing. Our desire to ensure that our qualification remains relevant and meets the ever-increasing demands of the workplace means that the examinations are constantly being reviewed. We appreciate the challenges that this puts on the students and so this makes us particularly delighted to be able to report continuing high standards and pass rates in our May and November 2013 exams.

E-Assessments

The E-Assessments are still relatively new and so are under constant review. We surveyed some of our students during the year and have put processes in place to try to address some of the matters they identified as their main concerns. Additional guidance, as well as 30 practice questions and answers taken from the live Law exam, have been placed on the website to support exam preparation.

Media

Our activity on social media sites Facebook (facebook.com/ourATT), Twitter (twitter.com/ourATT) and LinkedIn (http://j.mp/ourAttgroup) continues to grow and over 2000 of our members and students are now on LinkedIn.

There is now a twitter feed @ATTStudents which is definitely worth following and various LinkedIn groups that provide a great deal of information to help the student experience. There is also a bi-annual ATT Student Newsletter 'Student Focus' which carries almost all the information that any student will need. The website underwent a significant change in the last year so please let us know what you think about it.

We will continue to review the use of these sites during 2014 and will use them to communicate relevant information to the members and students that are active on these sites

Employer Engagement

We have met with many employers over the past year to get their feedback on the Association and how we might improve the services we offer. This has been supplemented by the introduction of a regular survey to employers which allows us to quickly identify and address any issues as they arise. We recognise employers have a vital role to play in both sponsoring their employees through the ATT qualification and supporting them as they study, and we want to make it as easy as possible for them to interact with the ATT.

In October 2013 our newsletter for employers was rebranded 'Employer Focus' and is now distributed to over 1000 employers three times per year. Feedback has been extremely positive

Jane Ashton, Chairman, Business Development Steering Group

ACHIEVEMENTS AND HIGHLIGHTS FOR 2013

and we will continue to provide news and updates that are relevant to employers.

Students

We have promoted a career in tax at several graduate and career fairs, including the London Graduate fair, ICAEW Career Development Fair and University of Manchester's Finance, Business and Management Fair. In 2013 1,230 new students registered with the Association.

We attended Accountex in June 2013 and promoted ATT membership and qualification by manning a stand and delivering presentations. The focus for this event was accountants and we received significant interest in our qualification from those who could get credits for our exams from the professional qualifications they have already gained. We plan to support this event again in 2014.

ATT Brand and Logo

During the course of 2013 we have updated all our printed material to ensure brand consistency. We distributed many brochures and leaflets to promote both a career in tax and the benefits of being professionally qualified to employers, members and students at careers fairs, branch events and conferences. In addition we have produced new brand guidelines that are available to download at: www.att.org.uk/brand

Professional Conduct in relation to Taxation (PCRT)

The update of Professional Conduct in relation to Taxation (PCRT) deals with the relationship between tax adviser, client and HMRC. The underlying message of PCRT remains unchanged but the new version, due to be released in the first part of 2014, includes a much expanded chapter entitled 'Tax planning, tax avoidance and tax evasion'. Other new material includes, inter alia, guidance on electronic filing, the GAAR and on dealing with situations where HMRC bypasses the member/agent and goes straight to the client.

Engagement letters

As a result of the introduction in April 2013 of Real Time Information (RTI), the ATT, together with the main tax and accounting bodies, issued updated Guidance on Letters of Engagement for Tax Practitioners on 25 February 2013. Amendments were made to the Payroll Services Appendix B6, incorporating RTI, so that practitioners could update their existing engagement letters as required. The professional bodies will reconvene in 2014 to review the guidance and consider any further updates.

Professional Indemnity Insurance (PII)

The updated, compulsory PII Regulations were published on the website on 31 January 2013. There were no major changes to the Regulations, just a revision of best practice. Thanks to an agreement reached with brokers and insurers, all members are now able to obtain PII cover which complies with the ATT's PII rules.

Anti-Money Laundering

We attend AML Supervisors' Forum where the Supervisors formulate best practice on enforcement and compliance issues. We have carried out a number of visits to members to check AML compliance and continue to provide training at ATT events.

We are involved on the update of the Tax Sector appendix to the Consultancy Committee of Accountancy Bodies (CCAB) AML guidance. Some aspects of our guidance update will have to await the outcome of the 4th Directive and any associated Regulations, aspects on methodology can be revised during 2014.

We are also involved in the National Risk Assessment (NRA). The NRA will be the first systematic assessment of threats and vulnerabilities in the UK.

Mortgage lenders

The inconsistent approach adopted by mortgage

Tracy Easman, Vice Chairman, Joint Professional Standards Committee lenders to the ATT qualification has taxed members and their clients alike over the years. Some lenders accept financial statements prepared by members in support of mortgage applications and some do not. To clarify the position this year, we wrote to over 70 lenders. Response has been slow but the majority of the larger lenders have confirmed recognition. Chasing replies continues and a full update will ultimately be published on our website later in 2014.

Technical Steering Group

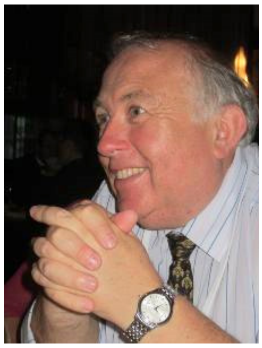
2012 was a very busy year for our Technical Steering Group (TSG). The same has been at least as true for 2013 and there is every indication that the level of technical activity will continue to increase. On a positive note, this fully justifies Council's decision last year to double our Technical Officer resource.

During the year we drafted over thirty ATT press releases on technical matters, submitted thirty-eight responses to HMRC/HM Treasury and attended an ever growing number of meetings (both recurring and ad hoc) with HMRC and other bodies.

Submissions made during 2013 have included matters as diverse as:

- Countering tax avoidance;
- Annual investment allowance changes;
- R&D expenditure credits;
- Simpler income tax for the smallest businesses;
- Disincorporation relief;
- GAAR;
- Cap on income tax reliefs;
- IHT non-domiciled spouse/civil partner exemption;
- Restriction on pensions tax relief;
- Tax management for Scotland;
- Capital allowances: second-hand fixtures (suggested and drafted by a member with a specialist interest);
- Supporting taxpayers who need extra help;
- Disallowance of certain liabilities in the calculation of the value of an estate for IHT purposes;
- Loans to participators: bed & breakfasting provisions (on which we were jointly involved with CIOT in confidential discussions with HMRC which resulted in government amendments to the Finance Bill);
- NIC self-employed entertainers;
- Two (unrelated) aspects of partnership taxation;
- Offshore employment intermediaries;
- Community amateur sports clubs;
- Unapproved share schemes;
- IHT: simplification of charges on trusts;
- VAT: Retail Export Scheme;
- Reform of judicial review (an endorsement of the substantive response by LITRG).

In anticipation of John Kimmer's retirement at the end of March 2014, we have recruited Alison Ward to take over John's role as Technical Officer with special responsibility for Personal Tax and Trust matters. We are expecting both Alison and Will Silsby to be fully occupied in 2014.



Paul Hill, Chairman, Technical Steering Group

Taxation Awards 2013: Sara Aldred, Yvette Nunn, Keith Gordon and John Sneddon. Keith Gordon was the winner of the ATT sponsored 'Tax Writer of the Year' award.

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ACHIEVEMENTS AND HIGHLIGHTS FOR 2013

Finance

While the indications are that the economy is now on the way to recovery, we continue to adopt a prudent approach to your Association's finances. We have actively managed our costs and our income levels have been maintained. This has resulted in another satisfactory year from a financial perspective.

Investments

During the year, following a formal tender process, we appointed Investec as our investment advisers. They have reviewed and restructured our investment portfolio that better meets our investment criteria and supports the overall aims of your Association. The investment portfolio is now producing additional income and has increased in value to £974,000 from the figure of £646,000 at the same time last year. This amounts to a percentage increase of just over 51%, which includes new acquisitions. We are still in the fortunate position of not needing to realise our investment portfolio.

Taxation Disciplinary Board

The Taxation Disciplinary Board Limited continues to administer the Taxation Disciplinary Scheme. Expenditure of £60,687 (2012 £40,205) incurred on behalf of the Taxation Disciplinary Board Limited. We must recognise that having an effective disciplinary scheme, and bearing the related costs, is part of being a well-run professional body and vital to maintaining the confidence of Government, HMRC and the general public in ATT as a "Gold Standard" qualification.

Reserves

General reserves are available to meet the future obligations of the Association. Council considers a prudent level of general reserves for the Association to be between six and nine months operating expenditure. At 31 December 2013 general reserves amounted to 8 months' expenditure (2012 8 months).

Graham Batty, Honorary Treasurer

Night view from the West Walkway of Tower Bridge, the venue for our reception on 27 March 2013

PUBLIC BENEFIT

The following report is similar to that in last year's Annual Report purely because our activities are based on our educational charity objectives.

As a registered charity we have an obligation to operate for the public benefit. As an educational charity our focus is very much on education not just of our members and students, but also of the general public.

Our annual tax conference is held at seven locations around the country. This conference is open to all and attracts a wide attendance from our members and members of the public. It also attracts members of other professional bodies. Jointly with the Association of Accounting Technicians we organise a conference at five locations.

Our Technical Steering Group works towards a simpler and better understood tax system for the public benefit irrespective of whether they are represented or unrepresented in their dealings with the revenue authorities. It responds to consultations from HMRC and HM Treasury. With the ever increasing tax legislation its work continues to grow as does our influence and standing with Government. We do not represent a particular sector or interest group as we strive for a better and fairer system for all.

Our Student Steering Group is responsible for providing an examination on the theory and practice of taxation law and administration, which furthers our educational aims as well as providing entry to membership. During the year 1,756 candidates sat our examination, taking 2,621 papers and achieving 1,886 passes. To help students prepare for our examinations we held one-day training conferences around the UK.

Our open policy means that all those who wish to register with us as students may do so irrespective of their previous academic record. We have been involved with other organisations developing a Higher Level Apprenticeship in Professional Services, which has three streams: tax, management consultancy and audit. Those on the tax stream will take our examination and on completion of the necessary practice requirement in UK taxation may become members.

One of our aims is the provision and development of education and training for members and the general public. This encompasses a range of services all of which

New members at the Admission Ceremony held in March 2013

are focused on the education of all. Conferences are clearly important in this respect, but so is supporting members with the provision of tax books and other technical publications. We ensure that members comply with their CPD obligations, which gives members of the public an assurance that members are up to date with their knowledge of taxation.

There are 40 Branches, joint with the CIOT, which provide valuable CPD courses for members, students and the general public. These courses are not just focused on tax topics but include issues that arise or affect tax practices. These courses are exceptional value for money and all are encouraged to attend.

Work is constant towards achieving our 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 and the general public. We set reasonable standards against which our members can be judged. This gives those people who interact with our members in any capacity the comfort that they will be dealt with in a professional manner and the member is adequately qualified to carry out tax work in a competent manner. Should members fall short of these standards independent action can be taken to ensure the integrity of our qualification.

We aim to encourage more students to take our examination and become members. This sounds simple and straightforward, but it entails a great deal of work in raising awareness of the ATT with careers advisers, employers and potential students working in taxation as well as the general public. By encouraging more members we will have a better qualified profession, which will benefit the users of tax agents and the revenue authorities, and will provide us with more resources to respond to HMRC and HM Treasury consultations. More detail of how we achieve public benefit against our objectives can be found in the various Steering Group/ Committee Reports found elsewhere in our Annual Report, which can be found on our website www.att.org.uk.

New members at the Admission Ceremony held in October 2013

The Work of the Branches

The Branch network developed – and continues to grow – in response to the need of ATT members to meet at a local level for learning and discussion on matters of taxation. As joint branches of both the Chartered Institute of Taxation and the Association, requests are welcome from members of both bodies and from the general public for additional activities where these would contribute to a better understanding of taxation and the relationship between the tax authorities and the taxpayer. Please contact local branch representatives, the details of which can be found on the Association's website.

Branch committees, comprising members of both the ATT and CIOT, are drawn from a wide spectrum of the tax profession and include accountants, lawyers and lecturers: in practice, in commerce and industry or in government. Serving on a Branch Committee enables members an opportunity to contribute to the dissemination of tax knowledge in their locality. If members are interested in getting involved with their local branch, please contact the relevant Branch Chairman.

Branch Hubs

Branch Hubs provide a means for small groups of branches to work together, inputting into Branches Forum and spreading best practice at local level.

There are now five branch hubs in place:

- North West: Manchester and Merseyside
- Offshore Islands: Guernsey, Isle of Man and Jersey
- Scotland: Aberdeen, Edinburgh, Glasgow and Scottish Borders
- South East: Hampshire, Kent, South London & Surrey and Sussex
- Yorkshire: Hull, Leeds and Sheffield

Scotland Branch

The devolution of landfill tax, stamp duty land tax and the top 10% of the income tax charge to the Scottish Parliament has required Scotland Branch to rethink the dual responsibilities of providing member services and responding to new legislation.

In January 2013 the new Scotland Branch structure was approved. This comprises a Scotland Hub and three new full status branches based in Aberdeen, Edinburgh and Glasgow. These were joined by a fourth branch, Scottish Borders, in November 2013.

The hub will concentrate on national members events such as the Scottish Conference and Joint Presidents' lunch, as well as coordinating the technical work carried out by the new branches. The new branches will concentrate on member services in their respective areas.

Branch Development and Governance

Branch Handbook

The online branch handbook, which was launched in October 2012, continues to be revised and improved. The aim of the handbook

Yvette Nunn, Ronnie Fell, Chairman Merseyside Branch, Chris Brydone, Patrick Stevens at the Merseyside Branch Annual Dinner

is to assist in the running of a successful branch. It provides a ready form of reference in an easy accessible format. Being online, it is easy to update and add to as required.

Branches Sub-Committee

The sub-committee, formed in 2012, met three times during the year. It continues to provide leadership on branch development and develop policy on strategic matters. Issues debated during 2013 have included branch governance, succession planning, special interest branches for members working purely in specific areas of tax and supporting members who may be getting out of their depth.

Induction Session for new Branch Committee members

In October 2013 we held an induction session for new branch committee members. This was the first such training session we had held and it was very well received. It is planned to make this a biannual event. We also hope to extend the idea and hold training sessions for specific branch committee roles such as branch treasurer.

Joint President's Lunch held at the Signet Library, Edinburgh in March 2013. Lord McFall, Patrick Stevens, Lady McFall, Yvette Nunn, Richard Brunton.

2013 Examinations – May	*Number of candidates*	*Number passing (and pass rate)*
Personal Taxation	585	419 (72%)
Business Taxation & Accounting Principles	370	260 (70%)
Business Compliance	83	76 (92%)
Corporate Taxation	229	183 (80%)
IHT, Trusts and Estates	43	37 (86%)
VAT	42	24 (57%)
E-Assessments: Professional Responsibilities & Ethics and Law	676	265 (39%)

2013 Examinations – November	*Number of candidates*	*Number passing (and pass rate)*
Personal Taxation	478	300 (63%)
Business Taxation & Accounting Principles	388	285 (73%)
Business Compliance	109	100 (92%)
Corporate Taxation	196	131(67%)
IHT, Trusts and Estates	54	45 (83%)
VAT	44	26 (59%)
E-Assessments: Professional Responsibilities & Ethics and Law	528	312 (59%)

Prizes and medals were awarded as follows:	*May*	*November*
Association Medal (best overall performance)	Mitesh Patel	Rosemary Boardman
Ivison Medal (Personal Taxation paper)	Belinda Roome	Pik Ti Ang
Jennings Medal (Business Taxation & Accounting Principles paper)	Ben Challis	Hannah Crean
Collingwood Medal (Business Compliance paper)	Harry Warren	Rosemary Boardman
Stary Medal (Corporate Taxation paper)	Iona Elizabeth Mary Townsley	Stella Mary Liesching
Kimmer Medal (IHT, Trusts & Estates paper)	Andrea Repassy	Adam Grannell
Gravestock Medal (VAT paper)	Aqeel Kapasi	Renaldo Gracis
Johnson Medal (E-Assessments in ethics and law)	Richard Keith Enness	Tonia Simper
LexisNexis Prize (highest total marks when taking all four papers at one sitting)	Xiaodi Zhou	Rosemary Boardman

It is also a pleasure to announce that, in addition to the exceptional papers produced by the prizewinners, awards of the President's Medal were made for the May examination sitting to Emily Plumb and for the November examination sitting to Philippa Castell. This is a discretionary award to outstanding candidates who because of the criteria for the above prizes would not otherwise be eligible for a prize.

Natalie Miller, President from 1 April 2014, with the Prizewinners from the May and November 2013 examinations

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THE ROLE OF AND STRUCTURE OF COUNCIL

At 31 December 2013 there were 18 Elected Members of Council. There is provision within our governing documents for 24 Elected Members and one nominated by the CIOT.

Council's role is to manage the Association. The Council has full responsibility for the conduct of the business and affairs of the Association, which involves setting and monitoring the implementation of the strategy, setting and reviewing financial performance and managing the risks that the Association may face. The Association is a registered charity and company, so the Council members are both Trustees of the charity and Directors of the company.

Implementation of the Association's strategy has been delegated to the standing committees, Leadership Team, Member, Student, Technical, Financial and Business Development Steering Groups and the Professional Standards Committee (joint with the CIOT). The Leadership Team, which consists of the President, Deputy President, Vice-President, Treasurer and two past Presidents, has the delegated authority to make decisions between meetings of Council.

Honorary officers

President
Yvette Nunn ATT(Fellow) CTA(Fellow) MAAT (2000) (E)

Deputy President
Natalie Miller BA(Hons) ATT(Fellow) CTA(Fellow) (2006) (E)

Vice-President
Michael Steed MA(Cantab) ATT(Fellow) CTA(Fellow) MAAT (2009) (E)

Honorary Treasurer
Philip Waller ATT CTA FCA (2004) (E)
Graham Batty BSc (Hons) ATT CTA ACA (2012) (E) (from 11 July 2013)

Council:
Jane Ashton ATT(Fellow) (2005) (E)
Trevor Blackmur ATT (2010) (E)
* Simon Braidley BA(Hons) ATT(Fellow) (2003) (E)
Jeremy Coker BSc(Hons) ATT CTA FCCA (2008) (E)
Bernard Critchley BSc ATT CTA (2006) (E)
Tracy Easman ATT CTA (2011) (E)
Tracy Easman ATT CTA (2011) (E)
Karen Eckstein LLB(Hons) ATT CTA Solicitor (2008) (E)
Anne Fairpo MA(Oxon) ATT CTA(Fellow) Solicitor (Exo) (left 14 May 2013)
Simon Groom BSc ATT CTA FCA (2003) (E)
Tanya Hiscock ATT MAAT (2009) (E)
Chris Jones BA(Hons) ATT CTA(Fellow) (2006) (E)
Katharine Lindley BEng(Hons) MPhil ATT(Fellow) CTA CFPCM APFS (2011) (E)
* Stuart McKinnon ATT(Fellow) CTA (1999) (E)
Ralph Pettengell ATT FPFS ACII (2006) (E)
David Stedman ATT(Fellow) (left 11 July 2013)
Richard Todd ATT(Fellow) CTA (2013) (E) (joined 11 July 2013)

N – Nominated Member // E – Elected Member // * – Indicates Past President
The year of appointment to Council is shown in brackets.

Executive Director
Andrew Pickering

COMPOSITION OF THE STEERING GROUPS/COMMITTEES

Leadership Team	
Chairman: Yvette Nunn	
Graham Batty	Natalie Miller
Simon Braidley	Michael Steed
Stuart McKinnon	

Finance Steering Group	
Chairman: Graham Batty	
Jeremy Coker	Ralph Pettengell
Jean Jesty *	Andrew Shearer *

Technical Steering Group	
Chairman: Paul Hill *	
Graham Batty	Arnold Homer *
Trevor Blackmur	Jean Jesty *
David Bradshaw *	Gillian McClenahan *
Richard Brunton	Brian Palmer *
Dean Chamberlain	Nicola Ross Martin *
Ann Elmer	Michael Steed
Margaret Ferguson *	Stephen Taylor *
Peter Gravestock *	Phil Waller *

Professional Standards Committee (joint with the Institute)	
Chairman: Ray McCann *	
Eloise Brown *	Lisa Macpherson
Matt Coward *	David Stedman *
Karen Eckstein	Richard Todd
Tracy Easman (Vice-Chairman)	

Member Steering Group	
Chairman: Simon Groom	
Jane Ashton	Steven Holden *
Ross Burgess *	Hayley Levene *
Bernard Critchley	Katharine Lindley
Georgiana Head *	James McBrearty *
Tanya Hiscock	Andrew McKenzie-Smart *

Student Steering Group	
Chairman: Jeremy Coker	
Ronnie Fell *	David Lynas *
Amanda Fisher *	Natalie Miller
Sarah Kay *	Sue Short (Chief Examiner) *

Business Development Steering Group	
Chairman: Jane Ashton	
Alex Baulf *	Joanna Davies *
Simon Braidley	John Hill *
Nic Byrne *	Trevor Johnson *
Larry Darby *	Chris Jones

Audit Committee (joint with the Institute)	
Chairman: Rakesh Shaunak *	
Simon Groom	Peter Newsam

Joint Branches Sub-Committee (Joint with the Institute)	
David Bradshaw *	Tracy Easman
Sally Cox *	Natalie Miller
Bernard Critchley	

Representations on committees of the Institute

Officers Group
Yvette Nunn

Technical Committee
Paul Hill *

Education Committee
Jeremy Coker

Membership & Branches Committee
Bernard Critchley

Finance & General Purposes Committee
Graham Batty

Tax Adviser Sub Committee	
Tanya Hiscock	Jean Jesty *

* Co-opted member

PAST PRESIDENTS AND SECRETARIES, HONORARY MEMBERS AND SENIOR STAFF

List of Past Presidents	*Year*
Roy L Jennings	1989 - 1992
Robin M Ivison	1992 - 1994
Erica F M Stary	1994 - 1995
Peter S Gravestock	1995 - 1997
R Frank Collingwood	1997 - 1999
John M Kimmer	1999 - 2001
Trevor Johnson	2001 - 2002
Anthony D Thomas	2002 - 2003
Andrew N Hubbard	2003 - 2004
Leslie Beckett	2004 - 2005
Jean Jesty	2005 - 2007
J Richard Geldard	2007 - 2008
Annie J Bailey	2008 - 2009
David W Stedman	2009 - 2010
Simon J Braidley	2010 - 2011
Andrew Meeson	2011
Stuart G McKinnon	2011 - 2012
Yvette Nunn	2012 - 2014

List of Past Secretaries	*Year*
Malcolm J Gammie	1989 - 1991
Erica F M Stary	1991 - 1992
Bianca M Marsden	1992 - 1994

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

List of Senior Staff
Executive Director: Andrew R Pickering
Executive Officer: Susan M Fraser
Tax Policy Director: Patrick Stevens
Director of Member Services & Operations: Mary Foley
Head of Education: Rosalind J Baxter
Head of Finance: Steve Hines

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 2013. 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 1 May 2014 and signed on its behalf by N A Miller (President), G D Batty (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 trustees and members of Association of Taxation Technicians

We have examined the summarised financial statements of Association of Taxation Technicians. This statement is made solely to the charitable company's trustees and members, as a body in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the trustees and members those matters we have agreed to state to them in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's trustees and members as a body, for our work, for this statement, or for the opinions we have formed.

Respective responsibilities of the Board and auditors

The Trustees are responsible for preparing the summarised financial statements in accordance with the requirements of section 427 of the Companies Act 2006 and regulations made thereunder and recommendations of the Charities Statement of Recommended Practice. Our responsibility is to report to you our opinion on the consistency of the summarised financial statements with the full financial statements and trustees' report and its compliance with the relevant requirements of section 427 of the Companies Act and the regulations made thereunder. We also read the other information contained in the summarised annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summarised financial statements.

Basis of Opinion

We conducted our work in accordance with Bulletin 2008/3 'The auditors' statement on the summary financial statement 'issued by the Auditing Practices Board for use in the United Kingdom'. Our report on the full annual financial statements describes the basis of our opinion on those financial statements.

Opinion

In our opinion the summarised financial statements are consistent with the full financial statements and the Trustees' Annual Report of Carers UK for the year ended 31 December 2013 and complies with relevant requirements of section 427 of the Companies Act 2006 and regulations made thereunder.

We have not considered the effects of any events between the date on which we signed our report on the full annual financial statements (1 May 2014) and the date of this statement.

BDO LLP, Statutory Auditor
London
United Kingdom

May 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

ANNUAL REVIEW 2013
SUMMARISED FINANCIAL STATEMENTS

Summary Statement of Financial Activities
for year ended 31 December 2012

	2013 *£'000*	*2012* *£'000*
Incoming Resources		
Incoming Resources from generating funds	**46**	**49**
Incoming Resources from charitable activities	**1,978**	**1,904**
Total Incoming Resources	**2,024**	**1,953**
Resources Expended		
Cost of generating funds	**6**	**2**
Charitable activities	**1,811**	**1,604**
Governance Costs	**79**	**92**
Total Resources Expended	**1,896**	**1,698**
Net incoming resources before other recognised gains and losses	**128**	**255**
Gain on investment assets	**113**	**55**
Net movement in funds	**241**	**310**
Reconciliation of funds		
Total funds brought forward at 1 January	**1,601**	**1,291**
Total funds carried forward 31 December	**1842**	**1,601**

Summary Balance Sheet as at 31 December 2013

	2012 £'000	*2012 £'000*
Fixed Assets		
Investments	**974**	**646**
Total Fixed Assets	**974**	**646**
Current Assets		
Stock	**7**	**24**
Debtors	**74**	**67**
Cash on short term deposits and at bank	**1,433**	**1,499**
	1,514	**1,590**
Creditors		
Amount falling due within one year	**(499)**	**(497)**
Net Current Assets	**1,015**	**1,093**
Total assets less current liabilities	**1,989**	**1,739**
Creditors		
Amounts falling due after more than one year	**(147)**	**(138)**
Net assets	**1,842**	**1,601**
Income Funds:		
Unrestricted:		
Designated	**520**	**1,131**
General	**1,322**	**470**
Total Funds	**1,842**	**1,601**

The accounts set out below 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 report by the auditors state that there are no concerns or limitation of scope. The full annual accounts can be obtained from the website of the Association. The annual accounts were approved on 1 May 2014. The Annual report and accounts will be submitted to the Charity Commission.

The summary financial statements do not contain information from the directors' report. The auditors' statement under section 496 of the Companies Act was unqualified. The audit report was unqualified under section 498 (2)(a) or (b) and section 498(3).

The above summarised financial statement are consistent with the full annual accounts.

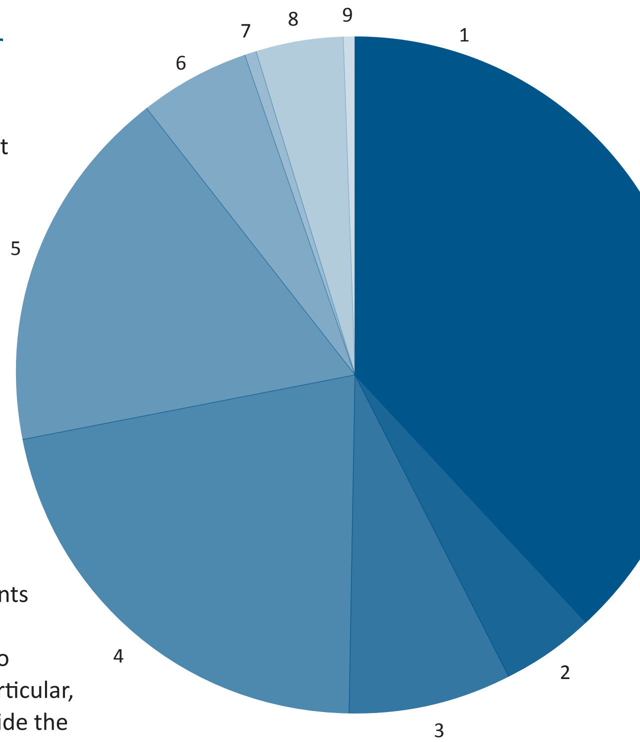
ANNUAL REVIEW 2013
SUMMARISED FINANCIAL STATEMENTS

Expenditure – 2013

		£'000
1	Salary Costs	722
2	Accommodation	88
3	Support Costs	145
4	Membership	411
5	Student	331
6	Promotional Costs	99
7	Grants	15
8	Governance Costs	79
9	Investment Costs	6
	Total	1,896

How do we spend our income?

The wheel opposite sets out the major categories of expenditure for 2013. The largest category of expenditure continues to be our staff costs which have increased by 15% in a direct comparison with 2012. This is due to the increased activity which we need to undertake to look after the growing numbers of members (7,582 at 31 December 2013) 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.

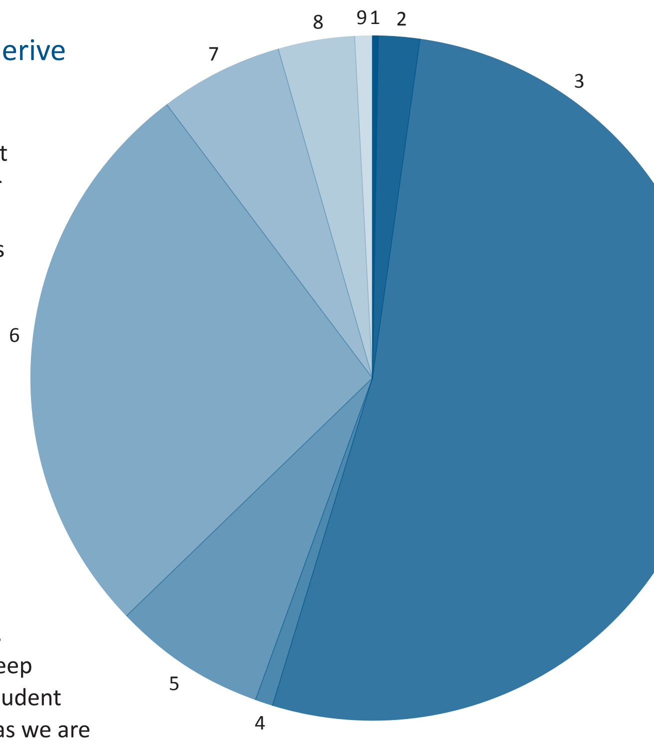


Income – 2013

		£'000
1	Activities for generating funds	8
2	Investment Income	38
3	Subscription Fees	1,062
4	Entrance Fees	18
5	Student Registration Fees	150
6	Examination Fees	545
7	Conference Fees	115
8	Sale of books and merchandise	72
9	Other Income	16
	Total	2,024

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 37% 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 5,196 at 31 December 2013. 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.



Jane Ashton

Age 46. Joined Council in 2005. Jane became a member of the Association in 1993 and is chairman of the Business Development Steering Group. She has also served on the Member and Student Services Committee (now Member Steering Group) since 1996. Jane has worked in various Directorates in the former Inland Revenue and is now working in HMRC's Personal Tax Change Directorate, based in London.

Graham Batty

Aged 57. Joined Council in 2011. Honorary Treasurer and Chairman of the Finance Steering Group since 2013 and a member of the Institute's Treasurer's Committee. Graham qualified as a Chartered Accountant in 1983, became an Associate of the Institute in 1986, a member of the Association in 2005 and has been a member of the Technical Steering Group since 2003. He is an associate director, specialising in the taxation of charities and other not for profit bodies, with a leading accountancy firm. Graham is a former chairman of both the Leeds and Birmingham branches.

Trevor Blackmur

Age 53. 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 (now Technical Steering Group) and represents it on HMRC's Employment Consultation Forum and the Benefits and Expenses Sub-Group, in addition to various other consultations and workshops as and when necessary. Trevor set up in practice on his own in 2010, continuing to provide taxation and payroll services to individuals, sole traders and small businesses.

Simon Braidley

Age 49. After graduating from Sheffield, Simon served time with the Inland Revenue and then several international and then smaller accountancy firms before operating his own practice. Simon is now an associate director with Baker Tilly, based in Tunbridge Wells. Simon became an ATT member in 1998 and is a Past President of the Association. He is a former Chairman of Severn Valley Branch and South West Region Branches Co-ordinator. He has chaired the Association's former Member & Student Services Committee. For many years Simon wrote the ATT Editorial pages for Tax Adviser. He now serves on the Business Development Steering Group.

Jeremy Coker

Age 50. Joined Council in 2008. A former chairman of the London Branch and still serves as its Treasurer and ATT branch representative. A member of the Institute's Owner Managed Business Technical Sub-Committee. A member of the Finance and Student Steering Groups. He was awarded the CIOT Certificate of Merit in 2010. Jeremy works in practice with a West End firm of chartered accountants.

Bernard Critchley

Age 57. 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 the Operations Support Manager with Tax Help for Older People based in Dorset, a charity giving free tax advice to older people on low income. A member of the Member Steering Group, the Joint Branches sub-committee and an ATT representative on 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.

Tracy Easman

Age 48. Joined Council in 2011. Became a member of the Association in 1993 and CIOT in 2000. From 2006 to 2012 she was heavily involved with Sussex Branch, including being branch secretary from 2008 to 2012. After taking a year away from the local branch to work with the Joint Branches

BIOGRAPHIES OF COUNCIL MEMBERS

Sub-Committee, she was appointed Chairman of Sussex Branch in 2013. In 2008 she became a member of the Joint Professional Standards Committee and has been involved in several working parties. She started her own practice in 2003 after working for the former Inland Revenue and two tax consultancy firms in Sussex. In 2012 she became a Fellow of the ATT.

Karen Eckstein

Age 48. Joined Council in 2008. Became a member of the Institute in 1993 and of the Association in 2008. Past Chairman of the Joint Professional Standards Committee. 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 “highly commended” award for Tax Lawyer of the Year at the LexisNexis Taxation awards and in 2011 the firm was shortlisted for the best tax team in a law firm at the Taxation awards.

Simon Groom

Age 50. Joined Council in 2003. Qualified as a chartered accountant in 1987 with Arthur Young and became an Associate of the Institute in 1991 and of the Association in 2003. Since qualifying has been involved with training in some form for the past 26 years and has lectured regularly at Association and Institute student conferences. He is now Director of Tax Training and Professional Development at Tolley, part of LexisNexis, and was involved with the implementation of the new examination structure. He is Chairman of the Member Steering Group and a member of the Audit Committee.

Tanya Hiscock

Age 37. Tanya joined Council in 2009 having been a member of the Member and Student Services Committee (now member Steering Group) 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 and Secretary on the Sussex Branch committee, and sits on the Tax Adviser sub-committee.

Chris Jones

Age 46. 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 the Board Director at LexisNexis responsible for Tax Markets & Learning. Lectures around the branches and at both ATT and CIOT conferences. Member and past Chairman of the Marketing Committee (now Business Development Steering Group). Appointed to the Council of the Institute in 2003 and is Vice President of the CIOT and Chairman of its Conferences Working Party and Stakeholder Audit Working Party.

Katharine Lindley

Age 40. Joined Council in 2012. Katharine became a member of the Association in 1999 and of the Institute in 2001, and a Fellow of the Association in 2012. She has served on the Association’s Member Steering Group (previously Members and Student Services Committee) since 2002. Katharine is a Chartered Financial Planner and Certified Financial Planner and specialises in the provision of strategic financial advice. She has worked at Bestinvest since 2007 where she is a Financial Planning Director, having previously worked in the financial planning teams of PwC and Towers Watson.

Stuart McKinnon

Age 56. Qualified as a member of the Institute in 1984, joined Council in 1999 and became President in December 2011. Previously Chairman of the Examination and Member and Student Services Committees and various working parties. Also former Chairman of the North East Branch. A partner in Baker Tilly based in their Newcastle Upon Tyne office.

Natalie Miller

Age 50. Natalie has been a member of ATT Council since 2005. She was appointed Vice-President in December 2011 and Deputy President in December 2012. She passed the ATT examinations with a Distinction in 1993 and

ATII (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 thirteen years in the Tax Knowledge & Innovation Group, where she specialises in personal and trust taxation. She is a member and former Chairman of the Student Steering Group. Natalie is also on CIOT Council and is a member of its capital gains tax and investment income technical sub-committee and the exam review sub-committee. She is also a former Chairman of East Anglia Branch.

Yvette Nunn

Age 48. Joined Council in 2000, appointed Deputy President in December 2011 and as President in December 2012. Became a member of the Association in 1993. Chairman of Birmingham and West Midlands Branch 1997-1999. Joined the Council of the CIOT in 2004 and serves on its Membership Committee. In 2010 she wrote the new on-line handbook giving advice to those setting up their own tax practice. She has served on the Association's Member and Student Services Committee and was Chairman from 2000 to 2004, when she moved across to serve on the Association's Technical Committee (now Taxation Steering Group), which she served as Chairman until December 2012. She set up her own tax practice in 2004 specialising in advising entrepreneurs.

Ralph Pettengell

Age 53. Joined Council in 2006. He was appointed Vice President in 2014 and is a member of the Finance Steering Group. Following the sale of his Financial Advice business, Chambers and Newman, in December 2007, Ralph has continued in the Financial Services Industry and is the Managing Partner of IFA Consulting LLP, a provider of services to Independent Financial Advisers and Financial Service Product Providers and is also a Partner of Trustee Advisory Services LLP. Ralph held senior management roles at the Britannia Building Society and Halifax Building Society's IFA arm. Ralph is very well qualified in the Financial Services Industry attaining the FPFS and the ACII qualification specialising in Pensions, is a Chartered Financial Planner, and holds the Chartered Institute for Securities and Investments ACSI qualification.

Michael Steed

Age 60. 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 serves on the Technical Steering Group. Appointed Vice-President from January 2013.Michael has practised in all areas of taxation and specialises in SMEs and indirect taxation. He is now a specialist tax presenter for Kaplan Hawksmere. 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.

Richard Todd

Aged 47. Joined Council 2013. Richard became a member of the Association in 1996 after beginning his tax career with the former Inland Revenue in London and Central Scotland. He joined the Institute in 1998, shortly after returning to Northern Ireland. Richard has acted in the role of Branch Secretary until 2005 before becoming Branch Chairman for the Northern Ireland Branch until 2008. Since retiring from the local Branch network Richard was a member of the Member Steering Group until 2013 when he transferred to the Professional Standard Committee. Richard presently works in practice in Belfast.

Executive Director, Andrew Pickering

Age 64. Joined the Association 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.

ANNUAL REVIEW 2013
NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the twenty-fifth Annual General Meeting of members of The Association of Taxation Technicians will be held in the Westminster Suite at Broadway House, Tothill Street, London SW1H 9NQ on Tuesday 8 July 2014 at 4.00 p.m.

Ordinary Business

1. To receive and adopt the Report of the Council for 2013.
2. To receive and adopt the audited Financial Statements of the Association for the year ended 31 December 2013.
3. To re-elect as a Member of Council Richard Todd who retires under Regulation 38.
4. To appoint BDO 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

3 April 2014

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.