

Association of Taxation Technicians

ANNUAL REPORT AND FINANCIAL STATEMENTS

2018

Company No: 2418331
Registered Charity No: 803480



CONTENTS

ANNUAL REPORT 2018

OUR VISION	2
PRESIDENT'S STATEMENT	3
ANNUAL REPORT OF THE COUNCIL	6
COUNCIL AND ADVISERS	10
PUBLIC BENEFIT	11
LAY PUBLIC INTEREST COUNCIL OBSERVER	13
ENFORCEMENT OF STANDARDS	14
STEERING GROUP AND COMMITTEE ACTIVITIES	17
BRANCHES REPORT	26
TREASURER'S REPORT	27
ASSOCIATION GOVERNANCE	29
COMMITTEES OF COUNCIL	32
STATEMENT OF DIRECTORS' RESPONSIBILITIES	34
INDEPENDENT AUDITOR'S REPORT	35
FINANCIAL STATEMENTS	37
NOTES TO FINANCIAL STATEMENTS	40
BIOGRAPHIES OF OFFICERS & COUNCIL MEMBERS	52
NEW MEMBERS	55
NOTICE OF ANNUAL GENERAL MEETING	59

OUR VISION

ANNUAL REPORT 2018

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

The Association's objects are:

- (a) to 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 one-day conferences;
- publishes (jointly with the Chartered Institute of Taxation) the monthly magazine 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; and
- maintains standards of professional conduct for members.

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.



PRESIDENT'S STATEMENT

ANNUAL REPORT 2018

It is a great honour to have been appointed as your President for 2018-19. My journey so far with the ATT has been truly amazing. I am so fortunate to have met some fabulous people, both within and outside the world of tax, and I have made some lifelong friendships. During my Presidential year I continue to meet members and students at national and local events.

One of my aims is to continue to further our relationships with our colleagues at the Chartered Institute of Taxation, HM Revenue & Customs (HMRC) and others who work in this wonderful world of tax.

My cohort at the Institute this year is Ray McCann. I was fortunate to have been Ray's vice chair before chairing our joint Professional Standards Committee. We continue to work well together to keep our respected professional bodies at the forefront of the tax industry.

Professional Standards

This is probably the subject most close to my heart. I will always push for the high standards our members must meet to be extended to all of those who work in tax, regardless of what professional qualification(s) they may hold. I am aware that Professional Rules and Practice Guidelines, Professional Conduct in Relation to Taxation and Continuing Professional Development Regulations don't have the most attractive titles and may not be your first choice for bedtime reading but without these guidelines and ethical standards, where would our profession be? Our standards mean HMRC can look to our members as providers of tax services who operate at the highest level.

The new Office for Professional Body Anti-Money Laundering Supervision (OPBAS) came into being on 1 April 2018. The aim of this new body is to ensure consistency and quality of approach to the supervisory role and to drive up standards across all professional body Anti-Money Laundering (AML) Supervisors in the UK. During the year OPBAS visited all supervisors to inspect their policies and procedures, interview staff working in this area, look at record keeping and associated areas. Our visit took place in December and, at the time of writing this, we await their report. We



Tracy Easman and Peter Gravestock

are still waiting for the final decision on the fees OPBAS will charge its AML Supervisors – we have responded to the various consultations from the Financial Conduct Authority. We continue to press for a fee which is proportionate to the number of firms we supervise and affordable for our AML supervised population.

Education and Training

One of our charitable aims is to advance public education in and promote the study of the administration and practice of taxation for the public benefit. It is vital that everyone has access to quality tax advice and assistance through the veritable minefield of legislation we have. When I first studied for my ATT qualification, the legislation consisted of two books. I recently unpacked this year's parcel from the publisher to find 10 books, including one book devoted to the index for the other nine volumes. I seriously need to find more space for shelving in my office at home!

Our annual tax conferences, held in May, June and July, and the 'Sharpen your Tax Skills' workshops held jointly with the Association of Accounting Technicians, in October and November, continue to be a great success, attracting in excess of 800 delegates across all 14 venues. My thanks go to Michael Steed who, along with our Technical Team masterminds these, as well as our Events

PRESIDENT'S STATEMENT

ANNUAL REPORT 2018



Sir Edward Troop and Tracy Easman at the Annual Luncheon, September 2018

Team at Head Office who ensure that everything runs smoothly on the day.

This year has also seen the first of our Professional Tax Technicians apprentices sit their end point assessment. This includes students submitting a Portfolio of Evidence and undertaking a Role Simulation exercise. It is good to see the number of apprentices continuing to grow as more and more employers see the benefits of taking on apprentices.

Our suite of Foundation Qualifications in Personal Tax, Business Tax and Value Added Tax continue to prove attractive. We were delighted to present Andrew Millington, the first student to pass the Foundation Qualification, with a certificate and bottle of champagne at Graham Batty's Presidential Reception, held at the Churchill War Rooms in March.

Our Technical and Professional Standards Teams at Head Office contribute to our continuing programme of training by lecturing at branch events. As a former Chair of Sussex Branch, I am a huge supporter of our Branch Network and the amount of work done by the volunteers in our Branch Network.

New Members

During 2018 we welcomed 596 new members. I and Graham Batty were delighted to meet some of these, as well as members of their families, at our two admission ceremonies held at the House of Lords. I would also like to thank The Rt. Hon. Lord Newby OBE and The Baroness Donaghy

CBE FRSA for hosting these events. Without the support of our sponsoring Peers, we would be unable to use such a prestigious venue to welcome our new members.

Council Award and Certificates of Appreciation

My Annual Luncheon, held at Clothworkers' Hall, was a wonderful opportunity to welcome key figures from HMRC, Members of both Houses of Parliament, leading individuals from the tax profession and representatives from other Professional Bodies. It was my pleasure to present the Council Award to Peter Gravestock. Peter is a past President of the Association and founder member and chair of the Technical Committee which was launched in 1999. He finally stepped down as a member of Technical Steering Group at the end of 2017. During his years of service to ATT Peter also chaired Audit Committee and was a key figure at the Annual Tax Conferences.

Certificates of appreciation were awarded to Julie Dingwall, in recognition of her years of service as an examiner, and Ahmed Jeewajee, in recognition of his service to Harrow and North London Branch, both as Treasurer and ATT Representative.

I also co-hosted, with Ray McCann, the second of this year's Joint Presidents' Luncheons, in the magnificent surroundings of Titanic, Belfast. These regional events are an ideal opportunity to engage with key stakeholders and members of the devolved governments. Fortunately, the weather was kind to us – the first of this year's luncheons in Edinburgh, due to be held at the beginning of March, was rescheduled for May, due to the unexpected arrival of 'The Beast from the East'.

Hello and Goodbye

The 2018 Annual General Meeting saw us saying goodbye to two of our long-standing members of Council: Natalie Miller and Yvette Nunn are both past Presidents of the Association and have been hugely influential in developing ATT's strategic direction. Yvette's tireless enthusiasm and commitment to the Association was recognised when she was awarded the 'Unsung Hero of the Year' at the Memcom Awards in April. This is the first time ATT has been recognised in a national

PRESIDENT'S STATEMENT

ANNUAL REPORT 2018

awards ceremony and we are all so proud of Yvette's achievement. We also said farewell to Steve Holden in June. I would like to thank all three for their support both as Trustees of the Association and as my friends in the tax world.

Sue Short, our Chief Examiner, stepped down from her role in July after over 10 years with the Association. Sue oversaw many changes in our examination system, including the introduction of the Computer Based Examinations and the scanning and online marking of the examination scripts. I would like to formally thank her for her tremendous input to the Association. I extend my welcome to Helen Stainton, her successor in this role.

I am delighted to welcome two new Trustees to Council: Helen Brookson and Simon Groom formally joined Council in December. They bring their own skill sets and enthusiasm for the Association and I look forward to working with them.

Thanks are also due to the Head Office Team, ably headed by our Executive Director, Jane Ashton, for their support throughout my Presidential year. Their excellent organisational skills ensure that I arrive at the right venue, with the correct set of briefing papers and, where necessary appropriately dressed for the event, be it a formal black tie dinner or informal working lunch.

I would also like to thank two long-serving members of the Head Office Team: Kathy Spence and Brad Linehan, both of whom left this year after more than 50 years of service between them. A happy retirement to Kathy and my good wishes to Brad in his new ventures.

Finally, it is with a sad heart that I must mention that we lost Jean Jesty, a Past President of this Association, at the turn of the year. No one encapsulated the family spirit that is the ATT as much as she did. Deeply passionate about the Association, she is one of the reasons I am here today. We will all miss the lively wit and self-deprecating humour with which she lit up every room she entered. May her soul rest in perfect peace.

Tracy Easman
President



Natalie Miller and Yvette
Nunn

ANNUAL REPORT OF COUNCIL

ANNUAL REPORT 2018

The Council members (Trustees of the Charity and Directors of the Company) present their annual report to the members on the affairs of the Association together with the audited financial statements for the year ended 31 December 2018.

Reference and administrative details

The Association of Taxation Technicians is a registered charity in England and Wales, number 803480, and a company limited by guarantee, number 2418331. Its registered office is 30 Monck Street, London SW1P 2AP.

The names of all the Trustees, Executive Director and professional advisers are listed on page 10.

Structure, Governance and Management

The Association's governing document is its Articles of Association.

A governance statement which includes details of compliance, organisation, Trustee elections and training, audit committee, internal controls and risk assessment is set out on pages 29-31.

Volunteers and staff

It is the Association's policy to train, develop and motivate volunteers and staff, ensuring equal opportunities for all.

Members are encouraged to become involved in our activities and there are over 80 unpaid volunteers on Council, Steering Groups, Committees, Sub-Committees, Branch Committees and Working Parties. The Association is grateful not only for the generous input from all its volunteers at meetings and other activities but also to their firms who may ultimately bear the financial cost. It is not possible to quantify exactly how many volunteer hours were provided in meetings during the year, but it is in excess of 6,000. In addition, office space and utilities have been donated for meetings. The value to be placed on these resources cannot reasonably be quantified in financial terms and is not therefore recognised in the Statement of Financial Activities.

Association staff are responsible for providing efficient and effective support to all Steering Groups and Committees. With the exception of the Chief Executive of the Chartered Institute

of Taxation, all staff are jointly employed by the Association and the Institute and the average number of employees in the year was 85 (2017 – 86).

The nature of the Association's activities means that employees and volunteers do not encounter many hazards in the work place. However, safety receives constant management attention and a general policy statement on health and safety at work is included in the staff handbook. Risks are regularly assessed and include independent checks on electrical and mechanical equipment and water quality.

Equality and Diversity

The Association is committed to providing equal opportunities to job applicants, staff, students and volunteers regardless of sex, sexual orientation, marital status, age, race, ethnic origin, religion or belief or disability. The Association seeks to conduct all its activities in compliance with this principle and in full adherence to all applicable laws prohibiting discrimination in employment or service provision and developing and maintaining a diverse workforce of staff and volunteers at all levels within the Association. On-line training on diversity is provided for all new staff.

Officers and Council members

Under Regulation 37.1, made under the provision of Article 27(a), up to 24 members of Council shall be elected by the members.

In accordance with Article 27(b), the Chartered Institute of Taxation is entitled to nominate one member of Council.

During 2018 the following changes took place:

Steven Holden BA(Hons) ATT(Fellow) left on 22 June

Natalie Miller BA(Hons) ATT(Fellow) CTA(Fellow) left on 5 July

Yvette Nunn ATT(Fellow) CTA(Fellow) MAAT left on 5 July

Helen Brookson ATT(Fellow) joined on 13 December

Simon Groom BSc ATT CTA FCA joined on 13 December



Jane Ashton
Executive Director

ANNUAL REPORT OF THE COUNCIL

ANNUAL REPORT 2018

The other members listed on page 10 served throughout the year.

The Officers appointed at the Council meeting held on 20 March 2018 to serve from 5 July 2018 to the Annual General Meeting to be held on 4 July 2019 were Tracy Easman as President, Jeremy Coker as Deputy President and Richard Todd as Vice President.

Objectives, Activities and Achievements

The Association's objects are:

- (a) to 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.

The Association had five key objectives for the year:

- **Examination**

The take up of our lower level qualifications continues to increase. We also have seen tremendous growth in the VAT Compliance Diploma in the Gulf Cooperation Council member states.

- **Apprenticeship**

This year the first of our Apprentices sat the End Point Assessment in December 2018.

- **Technical**

We remain fully engaged with HMRC during the development of digital services for taxpayers and their agents so we can ensure that the services provided are as good as they can be for the public benefit.

Our Technical Team submitted over 20 responses to public consultations and made 13 submissions

on the draft clauses of the Finance (No.3) Bill. We have continued to publish articles on areas of interest and recent developments in tax on the Technical Section of the website.

- **Employers**

Employer Focus, our monthly online newsletter, is now sent to over 3,000 employers. Our programme of employer engagement continues with members of the Professional Staff attending over 50 meetings during 2018.

- **Electronic voting**

We introduced electronic voting for the 2018 AGM. This resulted in a significant increase in the number of members engaging with the Association with 997 electronic votes recorded.

Details of the Association's achievements and performance against objectives are given in the following reports:

- | | |
|---|---------|
| • President's Statement | Page 3 |
| • Steering Group and Committee Activities | Page 17 |
| • Public Benefit | Page 11 |
| • Treasurer's Report | Page 27 |

Financial Review

The operating deficit for the year before investment losses was £129,000. Taking into account the loss on investments the net result for the year is a deficit of £223,000.

The Association has not placed any social, environmental or ethical restrictions on its investment advisers.

Donations, legacies and other incoming resources

The Association is solely supported by subscriptions and fees from members, students and the public.

ANNUAL REPORT OF THE COUNCIL

ANNUAL REPORT 2018

Grant-making policy

The Association does not make donations to funds of political parties. Grants can be made only to organisations with common, parallel or related objectives and activities. During the year grants totalling £6,000 were paid to Tax Aid. Interested parties are referred to the Association's website.

Reserves policy

The Council has assessed the risks involved in the activities of the Association and has agreed the following reserves policy:

- To retain a sufficient level of reserves in order to provide financial stability and the means for the development of the Association's principal activity. The sum required is equivalent to nine months' of committed budgeted expenditure. This policy has not been achieved, we have 8.5 months cover, shortfall as per page 41.
- To set aside designated sums to be used for future expenditure but retain the power to reallocate these funds within unrestricted funds unless and until expended. Unrestricted funds have been designated for the following purposes:

- **Disciplinary procedures**

In view of the nature of professional advice given by members, we are aware that if, for whatever reason, action is brought against members, then the costs of dealing with such action can be considerable. Although we have no indication of any significant pending actions, we maintain a significant balance of reserves to cover such eventualities.

- **Information technology**

The IT infrastructure and software constantly need to be kept up to date to meet members' and students' requirements and expectations.

- **Property reserve**

An amount to be set aside each year to build up a property fund for use on the expiry of the current lease.

Investment policy

The Association's powers of investment are set out in the Articles of Association which states that monies of the Association not immediately required for any of its objects may be invested. The Council has assessed the risks involved in the activities of the Association and agreed the following:

- To take independent investment advice on all longer-term investments;
- To regularly review the value of funds the Association requires to be held in investment, short-term deposits and cash, to ensure that they are adequate to meet its obligations;
- To regularly review with its investment advisers the performance of longer-term investments;
- To invest liquid assets in short-term low-risk investments; and
- To maintain an investment strategy with a low to medium risk profile (based on industry standards).

Payment of suppliers

The Association is committed to paying suppliers promptly and aims to pay within 30 days of receiving a valid invoice, unless other specific arrangements apply.

Strategy: Plans for 2019

In keeping with the Council's strategic plan, the main objectives for 2019 include:

- **Technical**

Responding to consultations issued by HMRC and continuing to be fully engaged with them during the development of tax services for tax payers and their agents so we can ensure that the services provided are as good as they can be for the public benefit. We will be updating our members through the technical section of our website and through our weekly email newsletter.

- **Employers**

We will be issuing a monthly newsletter to employers to update them on the latest

ANNUAL REPORT OF THE COUNCIL

ANNUAL REPORT 2018

developments relating to tax. In addition we will meet with employers regularly to ensure our qualifications meet their needs.

- **Examination**

Implementing the new ATT Examination structure. The ATT (in conjunction with the Chartered Institute of Taxation (CIOT)) has created a new Computer Based Examination (CBE): Principles of Accounting. The CBE will be available from March 2019. From May 2019, ATT Paper 2: Business Taxation & Accounting Principles will be renamed ATT Paper 2: Business Taxation.

- **Apprenticeship**

Increasing awareness and take up of our new employer-designed Trailblazer Apprenticeship.

Pay Policy of key management personnel

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

Public Benefit

The charity has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set. How the Association achieved its public benefit objectives can be found on page 11.

Money Laundering Regulations 2017

The Money Laundering Regulations 2017 list the Association as a supervisory authority for its members in practice. The Scheme was introduced in December 2007 and practising members have been registering since that date. During 2018 the Association continued to ensure that members in practice were fulfilling their obligations under the Regulations which included visiting members and checking their anti-money laundering policies and procedures. The Office for Professional Body Anti-Money Laundering Supervision (OPBAS) carried

out an inspection in December 2018. OPBAS is a new supervisor setup by the government to strengthen the UK's anti-money laundering (AML) supervisory regime and ensure the professional body AML supervisors provide consistently high standards of AML supervision

Statement as to Disclosure of Information to the Auditor

The directors who were in office on the date of approval of the financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Annual General Meeting

A separate notice on page 59 of this report explains the business to be considered at the Annual General Meeting on 4 July 2019.

This report was approved by the Council on 4 April 2019.

By order of the Council

Jane E C Ashton
Executive Director

COUNCIL AND ADVISERS

ANNUAL REPORT 2018

President

Tracy Easman ATT (Fellow) CTA(Fellow) (2011) (E)

Deputy President

Jeremy Coker BSc (Hons) ATT (Fellow) CTA FCCA ACA (2008) (E)

Vice-President

Richard Todd ATT (Fellow) CTA (2013) (E)

Honorary Treasurer

David Bradshaw BSc ATT CTA FCA (2015) (E)

Council:

*Graham Batty BSc (Hons) ATT (Fellow) CTA ACA (2012) (E)

David Bird BSc(Hons) ATT CTA TEP Solicitor (2016) (E)

Helen Brookson ATT(Fellow) TEP (2018) (E)

Nancy Cruickshanks BCom ATT (Fellow) CTA ACMA (2017) (E)

Richard Freeman LLB (Hons) ATT CTA Solicitor (2015) (E)

Simon Groom BSc ATT CTA FCA (2018) (E)

Jacqueline Hall BA(Hons) ATT CTA FCA (2016) (E)

Katharine Lindley BEng (Hons) MPhil ATT (Fellow) CTA CFPCM APFS (2012) (E)

Julian Millinchamp BA(Hons) ATT CTA ACA (2014) (E)

Kay Mind ATT (Fellow) (2015) (E)

Hayley Perkin BSc (Hons) ATT (2014) (E)

*Ralph Pettengell ATT (Fellow) FPFS ACII (2006) (E)

Senga Prior ATT (2017) (E)

*Michael Steed MA (Cantab) ATT (Fellow) CTA (Fellow) MAAT (2009) (E)

Jonathan Stride ATT (Fellow) MAAT CAT (2016) (E)

Tanya Wadson ATT MAAT TEP (2009) (E)

Executive Director

Jane Ashton ATT (Fellow)
MAPM AMBCS

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London SW1P 2AP

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Connected Charity:

The Chartered Institute of
Taxation
30 Monck Street,
London SW1P 2AP

Bankers:

HSBC Plc
The Peak
333 Vauxhall Bridge Road
London SW1V 1EJ

Registered Auditor:

Buzzacott LLP
130 Wood Street
London EC2V 6DL

Investment Advisers:

Investec Wealth &
Investment Ltd
30 Gresham Street
London EC2V 7QN

(E) – Elected Member

* – Indicates Past President

The year of appointment to Council is shown in brackets.

PUBLIC BENEFIT ANNUAL REPORT 2018

As a registered charity, the Association has an obligation to operate for the public benefit. Our charitable aims are education in the study of the administration and practice of taxation, preventing crime and promoting the sound administration of the law by promoting and enforcing standards of professional conduct amongst those engaged in the provision of advice and services in relation to taxation.

Our Technical Steering Group continues to work towards developing a simple and accessible tax system for all taxpayers, whether represented or not.

During the year the group submitted over 20 responses to public consultations on matters ranging from Stamp Duty Land Tax relief for first-time buyers (and its Scottish equivalent) to employment status and tax relief for work-related training. The Technical section of our website carries copies of all submissions.

The early publication in July 2018 of draft legislation for inclusion in the November Finance Bill provided an opportunity for the Association to suggest amendments which would improve the practicability of the eventual legislation or preserve safeguards for taxpayers.

The group continued to be involved in a variety of HMRC-led groups relating to the full range of UK taxes. Key areas in which we took an active role included:

- work to ensure that guidance published on GOV.UK on the Trading and Property Income Allowances was clear and practical;
- detailed engagement in connection with the introduction of the Trust Registration Service; and
- consideration of HMRC's interactions with customers with additional needs.

The group produced over 40 press releases during the year. Several of these were designed to draw attention to the implications for taxpayers of impending changes or changes that were under consideration. Such press releases can help taxpayers understand their compliance obligations and avoid errors.

Explaining the practicalities of the planned introduction of Making Tax Digital for VAT from April 2019 featured significantly in the group's work over the year. Members of ATT's technical team took part in presentations designed to promote greater understanding of what will be involved.

In our monthly Employer Focus publication we highlight matters which are of particular significance for employers and employees. During the year, topics included employee expenses, termination payments, electric cars, payroll benefits and the taxation of tips. Non-tax topics referred to included mental health in the workplace, Minimum and National Living Wage increases, auto-enrolment, employee dress code, workplace temperature and the implications of Brexit for employers.

In addition to technical matters, an ongoing area of concern for the group has been the rise in phishing scams and bogus calls where criminals pretend to be HMRC in communications. Our website includes guidance on how to recognise such activities.

The ATT contributed to the celebration in 2018 of 100 years of voting rights for women by highlighting the work of the Women's Tax Resistance League between 1909 and 1918 with a series of talks, one of which was recorded for posterity.

One of our aims is the development and provision of high quality education and training, for both our members to enable them to meet their Continuing Professional Development (CPD) requirements, and for the general public. We meet this aim in a number of ways:

- The Branch Network, run jointly with the Chartered Institute of Taxation
- The annual Tax Conference, held at seven locations around the United Kingdom
- The 'Sharpen your Tax Skills' series of seminars run jointly with the Association of Accounting Technicians.

In 2019 we plan to hold a series of half-day seminars with the Chartered Institute of Payroll Professionals. Details of all our events can be found on our website and members of the public are welcomed at these too.

PUBLIC BENEFIT

ANNUAL REPORT 2018

We regularly review the benefits to our members and provide them with a series of hard copy tax books and a monthly magazine, as well as a weekly electronic newsletter.

Our open policy means that all of those who wish to register with us as students may do so, irrespective of their previous academic record. As well as the traditional route into membership, we offer the Level 4 Professional Tax Technician Apprenticeship. For those requiring a qualification in tax at a lower level, we offer three Foundation Level qualifications in Personal Tax, Business Tax and Value Added Tax.

Work is constant towards achieving our charitable aim of producing Taxation Technicians with the highest ethical standards by developing a code of conduct and guidance on their dealings with the revenue authorities and the general public. This gives a level of assurance to all those who interact with our members in any capacity that they will be dealt with in a professional manner by a member who is adequately qualified to carry out tax work. Should any member fall short of these standards, independent action can be taken to ensure the continued integrity of the ATT qualification.

We continue to strive to raise awareness of both the Association and the qualification with employers, potential students working in taxation, careers advisers in schools, colleges and universities and the general public. We have developed a qualification tracker to assist those who have already done so, and those who are thinking of, embarking on a career in finance to select the best options in terms of level of qualification and subjects to study. We have a specific careers resource pack which is available on request. Members of Head Office staff and volunteers regularly attend careers events and give talks about careers in tax. By encouraging more young people to pursue a career in tax and become members of the Association 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 continue with our charitable objectives.

For more detail of our charitable objectives, please refer to the Steering Group and Committee Activities Reports on pages 17 to 26.

LAY PUBLIC INTEREST COUNCIL OBSERVER

ANNUAL REPORT 2018

This is the third Annual Report that I have prepared as Lay Public Interest Observer on the Council of the ATT. I have attended Council Meetings, the AGM, the President's luncheon and Prizewinners' luncheon. I thank the ATT, and also the CIOT, for some kind and generous invitations that have enabled me to meet more ATT members.

The role of the Lay Public Observer is to advise the Council of the ATT on the public interest regarding its activities and to support the Association's adherence to its charitable responsibilities. My job description asks me to report on the Council's conduct of business in relation to safeguarding the public interest, particularly as a charity, and commenting on Council's adherence to the Association's Articles and statutory obligations and functions.

I continue to be impressed by the firm commitment of all Council Members to their role as Charity Trustees and to the furtherance of the objectives of the ATT. Every Council Member has benefitted from the opportunities opened to them as a result of their study and qualification with the ATT. There exists a tangible and collective determination to ensure that others should benefit both from a career in tax, and from the sound advice given by those properly qualified in tax law and practice. Regular training is offered – and accepted – to assist Council Members in undertaking their Trustee responsibilities.

The issue of "protection of professional title" is an example of the Council balancing the needs of the public for good, affordable tax advice, with the proper interest of the ATT in ensuring that those who give tax advice are properly qualified and regulated to do so. The giving of tax advice is not a reserved activity, and the government and HMRC want some reassurance that those they deal with are trustworthy. The ATT is involved in discussions to assist HMRC, along with other professional bodies. It seems to me that the Council is very aware of the potential conflict of interest in supporting moves to make all tax advisers more accountable to the public, and the concern not to undermine the standards to which ATT members are held both in their level

of qualification and in their practice. The issue is not yet resolved – it is long standing – and I look forward to listening to further debate.

For all sorts of reasons Council members come and go. This year the Council said farewell in particular to two longstanding, experienced and highly articulate members whose terms of office had been extended, for good reason, more than once. Rightly the Council could not justify any further extensions. Already it is reassuring to see how others are now stepping into those shoes, getting to grips with detail, leading debate, taking on more responsibility. Turnover is good for any governance body, and once again the Council has attracted new, enthusiastic members. The diversity issue of which I wrote last year has not, however, gone away.

The ATT is well supported by a number of Steering Groups and Standing Committees, again well served by the non- Council members on them. This helps to ensure that the public interest is reflected in both debate and decision making. With the encouragement of the Leadership Team I intend to observe some of these Steering Groups and Committees in the coming year. The minutes of their meetings are circulated, and there is an opportunity at Council meetings for questions to be raised. Important issues are brought to the Council for decision in any event. Often a clear recommendation is properly, and respectfully, tested in discussion, as it should be.

The Council continues to benefit from the advice and support of Executive Director Jane Ashton and from the internal staff, with whom the Council has a good, respectful relationship. I look forward to the ATT enjoying another fruitful year in 2019.

Diane Burleigh OBE
Lay Public Interest Council Observer



Diane Burleigh OBE
Lay Public Interest Council Observer

ENFORCEMENT OF STANDARDS

ANNUAL REPORT 2018

In 2001 the CIOT and the ATT established the Taxation Disciplinary Board (TDB) as an independent body to handle complaints about alleged breaches of professional rules of conduct by members and students of the two bodies.

Public interest

The TDB is responsible for administering the Taxation Disciplinary Scheme (as amended 2016) (TDS), which sets out the principles and powers which underlie the participants' complaints and disciplinary procedures. One of the key principles underlying the TDS is that of fairness – fairness to both the public and to the profession. They are not mutually exclusive. The TDB aims to process cases as efficiently and promptly as possible in a manner that is proportionate, transparent and effective. The TDB is focussed on public duty to address both the incompetent adviser and the oppressive complainant. Members who conduct themselves in a professional manner are unlikely to face disciplinary proceedings. However, the disciplinary procedures exist to protect the public and members of the participating bodies. By enhancing the standing and reputation of the tax profession, they can only be beneficial to all its members. The TDB is concerned to ensure that it remains at the forefront of best regulatory practice and therefore better serve the public interest on behalf of an open and aware profession that commands widespread public confidence.

Structure of TDB

Overall responsibility for the administration of the TDS rests with the Directors of the Board of the TDB. The Chairman of the Board is a joint appointee of the CIOT and the ATT. Des Hudson, the former Chief Executive of the Law Society, was appointed as the Chairman in November 2009. Two Directors, John Whiting (CIOT) and Brian Palmer (ATT), are individual appointments of the two participating bodies. In order to enhance further the independence of the TDB, during last year, two additional lay directors were appointed (see below). The committees and tribunals appointed by the Board are drawn from panels of lay persons, including lawyers (who are not tax professionals), and professional members who have no current involvement with the standards

setting of the two participants. All are appointed through a process of open recruitment. The Board employs a part-time Executive Director, Peter Douglas, who has day to day responsibility for the processing of complaints and the smooth running of the Board, and a part time Clerk to the Disciplinary Tribunal, Nigel Bremner, responsible for the organising and conduct of the disciplinary hearings.

Complaints and disciplinary procedures

Under the TDS, the TDB deals with complaints alleging breaches of professional standards and guidance (as set out in the Professional Rules and Practice Guidelines of the CIOT and ATT), the provision of inadequate professional service, and conduct unbecoming a professional person. The initial handling of complaints is carried out by the Executive Director, who may reject a complaint if it appears frivolous, vexatious, more than two years old, or outside the jurisdiction of the TDS, subject to a right of appeal to an independent assessor. If the complaint involves a breach of the participants' administrative rules, the TDB may impose a limited financial penalty, but a member who objects is entitled to request a full hearing by a Disciplinary Tribunal.

The majority of valid complaints are referred to an Investigation Committee (IC) to consider whether there is a prima facie case to answer. If the IC decides that a prima facie case has not been made out, or that the matter is too minor to warrant referral to a Disciplinary Tribunal, the complainant has a right of appeal to an Assessor, who may reject the appeal or require a new IC to reconsider it. All other cases are referred to a Disciplinary Tribunal.

If a public interest case appears to require more urgent action, for example where a case alleges criminal behaviour or dishonesty but where the complexity of the case requires a full and lengthy investigation of all the issues, the TDB has in place powers to impose an interim order. Although it has not yet proved necessary to use such powers, they allow the TDB to take urgent action in a case where the IC has found that there is prima facie evidence and considers that the member poses a risk to the public such that it is in the public

ENFORCEMENT OF STANDARDS

ANNUAL REPORT 2018

interest or necessary for the protection of the public to suspend their membership of the ATT (or CIOT), pending the full hearing of disciplinary charges by a Disciplinary Tribunal.

The Disciplinary Tribunal is composed of three members, who include a legally-qualified chairman, a lay member and a professional member. The Disciplinary Tribunal hears the evidence and listens to any witnesses. If the Tribunal finds the case against the member proven, it may impose a relevant sanction, ranging from a warning through to expulsion. It will normally award costs against a defendant against whom it has made a finding and order that its finding be published. Following a finding by a Disciplinary Tribunal, both the defendant and the TDB may seek to appeal. If the appeal meets the specified criteria, the case will go to a Disciplinary Assessor under TDS regulation 21.6.

Recent Changes

The Articles of Association of the TDB, and the TDS, were amended during 2017 to enable the TDB to appoint two additional lay directors in order to further enhance the independence of its regulatory and disciplinary functions, and also to extend the term of office of the present chairman by up to four years. During 2017 the two new lay directors, Colin Wilby and Elizabeth Fullerton-Rome were appointed effective 1 June 2017. The chairman of the TDB, Des Hudson, was reappointed for a further four years from 1 November 2017. Larry Darby, the ATT representative on the TDB Board of directors, retired from the Board after six years service with the sincere thanks and good wishes of the Board and the sponsors. His replacement as ATT TDB Board representative, Brian Palmer, took up his appointment on 11 July 2018.

During 2017 it was identified that although updates and improvements are made to the TDB website on a continuous basis a more comprehensive review was appropriate and this has been completed during 2018. Further, the TDB believed, with the full encouragement of the sponsors, ATT and CIOT, that in addition to the steps recently undertaken to enhance the actual and perceived independence of the TDB, benefit would be obtained from removing complaint

related information, and all correspondence from being (albeit securely) on the CIOT/ATT server, and accordingly this was also undertaken and completed during 2018 and all such matters transferred onto an independent server.

Arrangements were put in hand to ensure that the TDB is fully compliant with the new GDPR requirements including the appointment of a dedicated Data Protection Officer.

As is the case every year a full days' training was held for all panel members and directors, which was also attended by members of staff from ATT and CIOT.

Cases dealt with in 2018

The TDS provides for the fair and independent investigation of every complaint referred to the TDB and fair treatment for any member against whom a complaint is made.

During 2018 the TDB received 37 new complaints (2017-30), 15 involving ATT members, (2017-9) and there were 15 complaints under investigation from 2017.

In addition to the above, 64 (2017-4) cases arose from the failure of members to submit the required Anti-Money Laundering (AML) revised returns, in full, and by 1 June 2018. These cases were all reported by ATT in batches to TDB towards the end of the year and as a consequence the majority are open and continuing to be progressed in the early months of 2019.

Apart from the AML cases referred to above, perhaps the only discernible trend in the type of complaints referred to the TDB relates to the apparent increase in those not involving professional breaches or behaviour, but rather discreditable personal criminal behaviour.

During the year the Investigation Committee considered 8 complaints (5 involving ATT members, 2017-3). All the complaints were referred to the Disciplinary Tribunal.

From the total of new cases, 37 (15 ATT) in the year and the 15 cases brought forward from 2017 (1 ATT) 36 were closed in the year.

During 2018, 5 cases were heard by Disciplinary Tribunals 2 involving ATT members or students.

ANNUAL REPORT 2018

Four further cases, 3 involving ATT members (or students), were awaiting a hearing at the end of the year. Findings, in respect of cases heard by a DT in 2018, resulted in 2 exclusions, 2 censures (1 including an order to pay compensation of £5,000) and 1 no further action.

There was 1 appeal against a decision of the Disciplinary Tribunal; the appeal was not upheld by the Disciplinary Assessor appointed under TDS regulation 21.6.

At 31 December 2018, excluding the ATT AML cases, there were a total of 16 cases open and under investigation, of which one was a CIOT/ATT member and 2 were ATT members.

Peter Douglas

Executive Director

Taxation Disciplinary Board

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

Member Steering Group

One of the most important functions of Member Steering Group is to keep under review the various benefits ATT provides to members. It is important that members continue to see the annual subscription as good value for money. That should encompass everything from the intangible benefit of being able to use the designatory letters 'ATT', to the various publications and other benefits that ATT provides. During 2018 members received a mouse mat and tax tables, as well as hard copies of the Annotated Finance Act, Tolley's Tax Guide, Whillans's Tax Tables and Tax Adviser. The Annotated Finance Act and Tax Adviser are also supplied in digital format. With the ever-increasing costs of paper and postage, as well as continuing changes in the way in which individuals choose to access information, we continue to review the benefits we offer. We are delighted to report that for 2019 members will continue to receive all these publications as hard copies. Feedback from you, our members, shows that you value these publications and we will continue to provide them in hard copy while costs allow.

The weekly Tax News email continues to be well-received and provides our members with technical updates, as well as keeping them informed of ATT issues. This is regularly read by nearly a third of our members.

Since the launch of our new website in April 2017 we have continued to make improvements to the appearance and navigation of the site. Websites are dynamic and should not be 'set in stone'. Please continue to let us know your views on the website and whether there are any changes you feel are necessary.

Our Annual Tax Conference, held in Belfast, Birmingham, Bristol, Haydock, London, Newcastle and Stirling, continues to prove successful, attracting in excess of 500 delegates. In addition to our professional speakers, members from the Technical and Professional Standards Teams attended each conference to speak directly to members and find out what issues are affecting our members on a day-to-day basis. We also held another successful

'Sharpen your Tax Skills' series of seminars in conjunction with the Association of Accounting Technicians attracting more than 300 delegates in Birmingham, Bristol, London, Manchester and York. These events, along with the Branch Network, help to deliver cost effective training to enable our members to meet their CPD requirements.

In 2019 we are arranging a series of half day events with the Chartered Institute of Payroll Professionals for the members of both bodies. These will be in different locations to our main conferences to give members in other areas an opportunity to participate in our events programme.



Katharine Lindley
Chair
Member Steering Group



Admission Ceremony
April 2018

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

The introduction by the Government of the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 have brought additional requirements for our Anti-Money Laundering supervised population. We continue to provide support and advice to our supervised members in this area but, as a designated supervisory authority, we must take necessary and appropriate action when members fail to comply with UK government legislation. This has meant an increase in the number of members being referred to the Taxation Disciplinary Board.

Member Steering Group would not be able to function without our volunteers. We conduct an annual skills audit among our Steering Group members to ensure that the experience and skill set of the group continues to reflect the membership of ATT as a whole. During the year we welcomed Colin Bruce and Sarah Hewson to the group. Colin brings a wealth of experience from HMRC and the Low Incomes Tax Reform Group, where he served as Technical Officer for several years, and Sarah has a lot of experience in the Branch Network, as a former Chair of Leeds Branch and the current Deputy Chair of London Branch. Chris Siddle stepped down after a number of years' service and I would like to thank him for his support.

I would like to take this opportunity to thank all members of the Steering Group for their lively and insightful discussions during the year and also to the Member Services Team at Head Office for their support to me in my role as Chair.

Katharine Lindley
Chair



Admission Ceremony
October 2018



Admission Ceremony
October 2018

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

Business Development Steering Group

In 2018, our marketing activities focused on the promotion of the ATT Foundation Qualifications. They are now regularly used as a stepping stone to either the ATT Trailblazer Apprenticeship or ATT Qualification, as well as great qualifications for those looking to gain more in-depth knowledge in specific areas of tax.

Our stakeholder relationship programme has gone from strength to strength and we have continued to meet with employers to discuss the examination offerings and gain feedback in order to help shape the future of the qualifications. These relationships are invaluable to the Association and help ensure that we are offering products suited to our client's needs.

This year we have also worked closely with the National Apprenticeship Service in raising the profile of tax apprenticeships and jointly published an article on Accounting Web's website and e-newsletter.

Since the redevelopment of the ATT website in 2017, the number of website visitors has increased substantially and this year we received a record 22% rise. The website continues to present highly-engaging content and easily-accessible information to all visitors, whilst consistently promoting the benefits of a career in tax. The Association's digital presence has also grown throughout the year and we now have over 12,000 people following us over our social media channels.

In April, we were invited to exhibit at the TaxAssist Accountants Conference and promoted the ATT qualifications to over 300 attendees. The event was a great success and we plan to attend the event in 2019. We have also exhibited at the annual AAT Conference and Skills London where we have continually discussed the benefits of entering into a career in tax. During the year we have also supported our highest number of volunteer members to promote our qualifications at careers fairs across the country.

In 2019, we will be celebrating a landmark occasion – ATT's 30th Birthday. We will be holding celebrations for the event throughout the year.

I have had the pleasure to welcome two new members to the Steering Group this year: Andrew McKenzie-Smart and Seb Purbrick. I would like to express my sincere gratitude to all members of the Business Development Steering Group for their support during the year.

Hayley Perkin
Chair



Hayley Perkin
Chair
Business Development Steering Group



Marion Denby, winner of the 2017 Tax Apprentice Award, Graham Batty, Andrew Millington, the first person to pass the ATT Foundation Level Qualification in Personal Tax

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

Technical Steering Group

This year has seen some changes in the leadership of the Technical Steering Group (TSG). In May, Yvette Nunn stepped down as Co-Chair for the second time, having previously been Chair in 2011-12. Yvette has made an outstanding contribution to the ATT as a member of Council since 2000, a member of TSG since 2005 and ATT President in 2013-14. Yvette's contribution to TSG and the ATT was officially recognised when she was awarded the Unsung Hero award at the 2018 Memcom awards on 16 May. We are delighted that Yvette is staying on as a member of TSG.

Michael Steed remains as Co-Chair and is joined by our new Co-Chair Jon Stride, who has represented the ATT on the Issues Overview Group and Working Together for many years. During the year, we also said goodbye and thank you to David Bradshaw and Brian Palmer, and welcomed three new members to the group: Adela Cebotari, Matthew Herring and Abigail Holland. TSG have also carried out a skills audit to better understand the skills of the Steering Group and identify any gaps to be filled.

The Technical Team has been at full strength throughout 2018 with all three Technical Officers responding to consultations, commenting on draft legislation and attending a variety of meetings, conferences and branch events. The Technical Articles page on the ATT website which was launched last year now contains over 80 articles on areas of interest and recent developments in tax.

In addition to the regular commitment to Tax Adviser, the Technical Team continues to contribute a monthly article to Accountancy Age and has begun to contribute articles this year to AccountingWEB. In May, Technical Officer Emma Rawson contributed an article on the Office of Tax Simplification Business Lifecycle Report to British Tax Review.

Members of the Technical Team presented at all seven of the Association's Annual Tax Conferences. These give an excellent opportunity to engage with members and inform them of the work done by the TSG and how they can contribute. Members of TSG and the Technical Team have attended and spoken at all seven of the joint AAT/ATT Mastercourses. Technical Officers have also spoken at four branch events and supported two ICAS tax courses.

Technical work during the year has been varied with the team responding to 22 consultations and commenting on guidance on issues from the recently introduced trading and property allowances to cryptoassets. Stephen Taylor, Chair of the VAT Sub-group, and Emma Rawson provided oral evidence to the Treasury Committee in respect of their VAT inquiry. In order to ensure that responses took account of a broad range of views, three membership surveys were carried out during the year, and telephone conferences introduced to discuss key consultation responses. The team issued over 40 press releases on technical issues, many of which were relevant to the wider public in addition to tax professionals.

In addition to formal consultations, nine submissions were made on the draft clauses for Finance (No.3) Bill published in July 2018, with a further three submissions to the Finance Bill Committee and one to the Committee of the Whole House following November's Budget. Submissions covered the temporary increase in the annual investment allowance, proposals for payments on account of capital gains tax on residential properties, entrepreneur's relief changes and offshore time limits.

In the early part of 2019, the group's focus will be on a number of recent consultations which have been launched. With April 2019 bringing both Brexit and the launch of Making Tax Digital for VAT, the VAT Sub-group expect to be very busy as the practical implications of both evolve for the wider public as well as tax professionals.



Michael Steed
Co-Chair
Technical Steering Group



Jon Stride
Co-Chair
Technical Steering Group

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

Professional Standards Committee

The joint Professional Standards Committee continues to play a significant role in helping the ATT meet its objectives:

“to prevent crime; and 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 this end, a number of our key guidance documents for members were updated in 2018, including:

Engagement Letters

Reworked engagement letters guidance was issued on 2 May 2018. The update included some new schedules (such as Company Accounts, Voluntary (unprompted) disclosure to HMRC) and the previous schedules were amended where required to reflect technical changes. It also took into account the new data protection requirements (GDPR) which came into force on 25 May 2018. It is our intention to issue a supplementary schedule of services in relation to Making Tax Digital for VAT in early 2019.

General Data Protection Rule (GDPR)

In further response to the introduction of the GDPR the ATT, along with other professional bodies, drafted a series of FAQs which were reviewed by the Information Commissioner’s Office. These were aimed at helping members clarify and comply with their obligations under the new legislation.

Professional Rules and Practice Guidelines (PRPG)

A revised PRPG which sets out the Fundamental Principles which apply to all members and students as well as guidance aimed at helping the member in their working life was issued on 9 November 2018. Key changes included clarification of the rule on professional behaviour and how it extends to conduct in a member’s private life, a new obligation to notify the ATT if a

member receives a dishonest tax agent conduct notice or a monitoring notice from HMRC under the Promoters of Tax Avoidance Schemes (POTAS) legislation and enhanced guidance on the retention of records. Some useful new additions consisted of a table of suggested responses to a ‘professional clearance’ letter according to the various different circumstances of the former client and new chapters for members in Commerce and Industry and members employed in professional practice or other sectors to encompass our broad reach of members.

Where possible, a uniform approach on professional standards issues across the tax profession is adopted and so, where appropriate, ATT liaises with other relevant professional bodies and HMRC, as well as members, to inform best practice.

Anti-Money Laundering (AML)

AML continues to be high on the political agenda and the responsibilities as an AML supervisor persist. As a supervisory authority, we have a statutory duty under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR) to effectively monitor supervised members and take necessary measures to ensure compliance with them. One of the changes made by the MLR was the requirement that no beneficial owners, officers and managers (BOOMs) of supervised firms can have any criminal convictions for offences listed in Schedule 3 (such as falsification of documents, fraud, tax offences, company director penalties, etc.). We requested that all supervised members and firms demonstrate this by carrying out criminality checks on their BOOMs and referred any that refused to the Taxation Disciplinary Board. ATT will continue to robustly pursue compliance with AML requirements in the coming year.

Guidance produced for AML in 2018 and which ATT contributed to include the AML Guidance for the Accountancy Sector (AMLGAS). HM Treasury approved this guidance and members and firms



Alistair Cliff
Chair
Professional Standards Committee

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

registered with ATT as their supervisory authority should adhere to it. It was issued in March 2018 and the Tax Sector Appendix, which focuses on the interaction between AML compliance and tax offences, has also been revised and is currently with HM Treasury for approval.

The Office for Professional Body Anti-Money Laundering Supervision (OPBAS)

OPBAS was set up in 2017 to oversee the AML work of 22 professional body supervisors, including ATT. This year it visited all the professional bodies (ATT in December) to review the quality and standards of our supervisory work and the compliance of our supervised members. We will receive a report from OPBAS in the first quarter of 2019 setting out the findings of their visit and making recommendations on areas to improve where necessary.

Thank you

I would like to thank all the volunteers and staff members of the joint Professional Standards Committee of the ATT and CIOT for their continuing contribution and valuable support to the work of the Committee. I feel privileged to Chair such a group. It is with great sadness that 2018 closed with the news of the death of one of our stalwart Committee members, Jean Jesty. Jean was a former Chair and an active participant in many of its working parties. Her good humour, down to earth and 'can do' approach will be very sorely missed.

Alistair Cliff
Chair

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

Education Steering Group

Student registrations are slightly down compared with 2017 and we closed the year with 1,005 new registrations, a 21% decrease.

The ATT CTA Tax Pathway continues to be a popular route for students to gain membership of both bodies. 494 Tax Pathway students had registered by the end of 2018 (which would account for the decrease in ATT registrations) and 129 existing ATT students had transferred into it. We continue to be very encouraged by these numbers.

Since the launch of three new ATT Foundation Level Qualifications in Personal Taxation, Business Taxation and VAT Compliance a total of 191 students have registered and 81 students have completed the final certificate examination. The first student, Andrew Millington, completed the ATT Foundation Level in Personal Tax in February in just five weeks. The Foundation Level Qualifications continue to serve as introductions to the subjects and appeal to practitioners working across the board: in practice, commerce and industry. They can provide a stairway for some to progress on to the higher-level ATT Certificate papers.

The overseas VAT Compliance Diploma, which coincides with the introduction of VAT in the Gulf Cooperation Council (GCC) countries, saw a total of 1,264 students register in 2018 with 544 students passing the final certificate examination. The majority of registered students are in the United Arab Emirates.

The Apprenticeship Trailblazer programme currently has 338 registered students. Candidates sat the first Role Based Simulation examination in December. We have 153 legacy Higher Apprentices who are still working their way through the ATT exam. The ATT has taken on an Apprenticeship Lead Examiner and an Apprenticeship Manager to work on the Role Based Simulation.

Our bi-annual one-day Exam Focus and Skills days, organised to support the May and November examinations, attracted an additional 100 students compared to the 2017 figures. This year students had the option of face-to-face tuition or webinar sessions. Feedback indicates

that this new format has been well received and we will continue to provide these methods for delivering examination training to students. These remain cost-effective for students with a new reduced fee being introduced this year. We still provide access to highly experienced tutors from a number of different course providers.

Our website remains the best source of information for students, both current and potential. This year we unveiled a new student portal which enables new students to register and current students to enter for examinations and apply for credits. We continue to publish a bi-annual Newsletter 'Student Focus'. Students can also get in touch with us via social media on twitter @ATTStudent and LinkedIn.

I wish all candidates sitting any of our papers, at any level, success in their examinations.

These are interesting and changing times and, as tax legislation changes, so also do the methods of delivery. One of our challenges is to keep abreast of them and I was delighted to welcome a number of new members, who have already added much vigour to our deliberations, to the Steering Group this year. My thanks go to all my colleagues on the Steering Group without whom none of the successes would have been possible. My special thanks also go to the Education Team at Head Office for all their help and support.

Jeremy Coker
Chair



Jeremy Coker
Chair
Education Steering Group

ANNUAL REPORT 2018

Examination Steering Group

Congratulations to all those who passed their examinations during 2018. We are always delighted to meet prizewinners and their guests at our annual prizewinners' luncheon when a number of our Past Presidents, after whom the medals are named, make the presentations.

We have been fully engaged with the introduction of the new Trailblazer apprenticeship programme, which includes several new elements, such as an end-point assessment.

It is especially pleasing that apprentices continue to perform well in the examinations and we are delighted to recognise Douglas Ward and Adburrahman Nurgat as the winners of the May 2018 Tax Apprentices Award, and Holly Freeman, winner of the WCoTA Trailblazer Prize 2018. All will be presented with their awards at the President's Reception in April 2019.

During the year we were also pleased to welcome Helen Stainton as our new Chief Examiner, taking over from Sue Short. Huge thanks are due to Sue for her time in that role and we wish her well in future ventures. Helen is settling in well to what is a challenging job and has already seen through her first full sitting in the November 2018 examinations. We're looking forward to continuing to work with her in the ongoing work to improve and enhance our examinations.

On the subject of enhancements, there will be a few developments in 2019: November 2018 was the final examination session for ATT Paper 2, Business Taxation & Accounting Principles, in its current form. From 2019, the paper will have most of the accountancy element removed as this will be covered in the new Computer Based Examination (CBE) called Principles of Accounting. This CBE will be available to sit in March 2019 with mock examinations available in December 2018. Alongside this, all our credits (awarded for certain other qualifications) will be renamed exemptions and some of those available have been altered. Exemptions will also be valid indefinitely. Finally, following in-depth

discussions we will be introducing a Bad Fails Policy from early 2019. Students will be able to find more detail on our website and from their tutorial body.

As well as looking at the structural changes of our exams, we continue to improve our practical processes for marking and moderating the exam papers. The ATT and the CIOT have worked with Secure and Confidential Documents (SCD) to develop the Electronic Marking Platform (EMP), an onscreen marking package, which enables examiners to mark the scripts onscreen. A staged approach was taken to testing the package during 2017 and May 2018. The EMP was fully implemented for the November 2018 session so all ATT examinations are now marked, and moderated, onscreen. We would like to thank the examiners and moderators for their continued feedback which improves the security and ease of the marking and moderating phase.

Thank you to Helen and our team of examiners, all of whom put in a tremendous amount of work in preparing, marking and reviewing the examination papers. Also to the Education Team at Head Office, who deal with the day-to-day management and administration of the ATT examinations. The whole team offers great support to the Steering Group as we monitor and develop this crucial part of the ATT's offering.

Natalie Miller
Chair



Natalie Miller
Chair
Examination Steering Group

STEERING GROUP AND COMMITTEE ACTIVITIES

ANNUAL REPORT 2018

2018 Examinations – May	No. of candidates	No. passing	Pass rate
Personal Taxation	709	467	66%
Business Taxation & Accounting Principles	420	344	80%
Business Compliance	148	132	89%
Corporate Taxation	229	195	85%
Inheritance Tax, Trusts & Estates	86	78	91%
VAT	72	47	65%
Computer Based Examination: Professional Responsibilities & Ethics (1 JAN-31 MAY)	361	212	59%
Computer Based Examination: Law (1 JAN - 31 MAY)	268	219	82%

2018 Examinations – November	No. of candidates	No. passing	Pass rate
Personal Taxation	594	384	65%
Business Taxation & Accounting Principles	423	295	70%
Business Compliance	143	135	94%
Corporate Taxation	191	142	74%
Inheritance Tax, Trusts & Estates	72	63	88%
VAT	65	42	65%
Computer Based Examination: Professional Responsibilities & Ethics (1 JUNE-31 DEC)	320	263	82%
Computer Based Examination: Law (1 JUNE-31 DEC)	535	281	53%

May 2018 prizes and medals were awarded as follows:

Association Medal (<i>best overall performance</i>)	Claire Fretwell
Iverson Medal (<i>Personal Taxation paper</i>)	Charlotte Page
Jennings Medal (<i>Business Taxation & Accounting Principles paper</i>)	Peter Daniels
Collingwood Medal (<i>Business Compliance paper</i>)	Mahfuza Khatun
Sary Medal (<i>Corporate Taxation paper</i>)	Jane Gareze
Kimmer Medal (<i>IHT, Trusts & Estates paper</i>)	Marion Denby
Gravestock Medal (<i>VAT paper</i>)	Julia Garbutt
Johnson Medal (<i>Computer Based Examinations in Ethics and Law</i>)	Sarah Moffat
LexisNexis Prize (<i>highest total mark when taking all three papers at one sitting</i>)	Dominic Hazell
The President's Medal (<i>at the discretion of the President</i>)	James Gillan

November 2018 prizes and medals were awarded as follows:

Association Medal (<i>best overall performance</i>)	Coriann Field
Iverson Medal (<i>Personal Taxation paper</i>)	Adam Hedley
Jennings Medal (<i>Business Taxation & Accounting Principles paper</i>)	Stuart Tucker
Collingwood Medal (<i>Business Compliance paper</i>)	Gregory Reynolds
Sary Medal (<i>Corporate Taxation paper</i>)	Bethany Martin
Kimmer Medal (<i>IHT, Trusts & Estates paper</i>)	Joshua Draycott
Gravestock Medal (<i>VAT paper</i>)	Ian Beeden
Johnson Medal (<i>Computer Based Examinations in Ethics and Law</i>)	Ashley Jayne
LexisNexis Prize (<i>highest total mark when taking all three papers at one sitting</i>)	Daniel Freeborough
The President's Medal (<i>at the discretion of the President</i>)	Caroline Altug

BRANCHES REPORT

ANNUAL REPORT 2018

Public Benefit of the Branches

Many of our branch events attract non-members, some branches report non-member attendance routinely at around or above 45%. This high level of attendance by the public throughout the network means our 300 branch volunteers are playing a key role in supporting the Association's educational primary purpose. With over 300 events across the UK for members, students and the general public every year, network volunteers are proud to be playing their part.

It is important to the Branch Network to continue promoting education in tax throughout the UK and enabling our members and members of the public to learn more about the Association's high standards and reputation for technical excellence.

The Branch Network provides the Association with a platform from which to disseminate changes in a fast moving and ever-changing tax world. Over 20% of members obtain their continuing professional development from Branch events.

The ATT resources provided to volunteers means our Branch Committee members are often found in schools, universities and colleges promoting a career in tax to students and feedback suggests that our volunteers find this outreach work very valuable.

Details of all branch committees and events can be found online at www.att.org.uk/branch-network

Branch Development and Governance

Branch Network volunteers come together specifically for the purpose of development and governance updates three times a year. These occasions give volunteers an opportunity to network with peers, hear important technical updates and messages from Head Office and share best practice in relation to Branch events.

Participation in the Branches Conference, which was held in March, remains popular. 88% of the network was represented: a year on year rise in participation.

This year the Branch Network worked hard to ensure the Association was at the vanguard of implementing GDPR legislation which came into force in May. New policies for Branch communications and holding Branch materials were formulated by Head Office under the guidance of their Lawyers and disseminated throughout the network.

The Branches Handbook was also updated with guidance to members to reflect the changes in practice and Head Office provided new online platforms for the network to ensure compliance with the new ways of working. The Handbook is a handy suite of documents that covers governance, development, brand, terms of reference and offers templates to ensure, where appropriate, a consistency of approach across the network.

Branches Sub-Committee

The Sub-Committee met twice in 2018. Cyber Crime, GDPR, supporting Branch Committees and preparing for the Conference were principal items on the agendas. Vice Chairs were appointed at the October meeting. Jo Routier, Jersey, and Zoe Robers, Sheffield, will take over as Co-Chairs in May 2019.

If you would like to become a volunteer for your local Branch, please contact the Branch Network by email branches@tax.org.uk

Malachy McLernon

Chair, Branches Network,
Chair, Branches Sub-Committee



Malachy McLernon
Chair
Branches Network and
Branches Sub-Committee

TREASURER'S REPORT

ANNUAL REPORT 2018

Overview

I am pleased to present my annual report as the Association's Treasurer. As in previous years we have maintained our policy of taking a prudent approach to your Association's finances. To this end we have continued to concentrate on our core activities of promoting ATT and providing support to you, our members. Delivering value for money remains central to our financial strategy and we continue to focus on efficiency and cost control. The Association remains in good financial health.

Investments

As a result of the increased market volatility in the year, the value of the Association's portfolio reduced to £1,188,000 at 31 December 2018 (2017: £1,256,000). The income from the portfolio remains satisfactory. The Finance Steering Group meets regularly with Investec, our investment managers, and our investment strategy remains under continual review.

Results for the year

The Operating Deficit for the year before investment losses was £129,000 (2017: gain £122,000), compared to a budgeted surplus of £3,000 (2017: £136,000). Taking into account the loss on investments, the net result for the year is a deficit of £223,000 (2017: surplus £223,000).

At the start of 2019 the ATT moved from its shared offices at Artillery House to new offices in Monck Street – expenditure of £56,000 on the exit from Artillery House is included in the Operating Deficit and has been covered by a release of the same amount from the Property Reserve.

Income

Income in the year amounted to £2,795,000 (2017: £2,702,000).

Both membership and examination income grew during the year, reflecting the continued popularity of the ATT qualification. On membership fees, we continue our policy of keeping the increase in subscriptions as low as possible, while aiming for a breakeven position.

Expenditure

Expenditure in the year totalled £2,924,000 (2017: £2,580,000). As noted above, this includes expenditure of £56,000 (2017: £Nil) on the exit from our offices at Artillery House – this has been covered by a release of the same amount from our Property Reserve.

The Association shares staff and other back office resources with the CIOT, enabling both organisations to benefit from economies of scale.

All of our expenditure is, however, focused on the delivery of our charitable aims and objectives. As well as the examination and Continuing Professional Development programmes, we also made grants amounting to £2,000 (2017: £14,000) in support of other educational projects. In addition, we continue to provide members with a number of valuable resources including Tolley's Tax Guide, Whillans's Tax Tables, Tax Adviser, an Annotated Copy of the Finance Act and a mouse mat.

During the year, together with the CIOT we substantially completed the implementation of a new Customer Relationship Management System which will deliver greatly improved operational functionality, particularly in Education, Membership and Finance. This spend has been capitalised and will be amortised over five years.

Taxation Disciplinary Board

With taxation continuing to be very much in the public eye, it is essential that we have an effective disciplinary scheme to maintain the confidence of Government, HMRC and the general public in ATT. The Taxation Disciplinary Board Limited ("the TDB") continues to administer the Taxation Disciplinary Scheme on behalf of both the Association and the CIOT. Expenditure of £46,000 (2017: £54,000) incurred in respect of the TDB is included under Members' Services in these financial statements. We have a designated reserve to provide cover in case the TDB deals with particularly difficult cases.



David Bradshaw
Treasurer

ANNUAL REPORT 2018

Reserves

The Association's free reserves are available to provide financial security so that it can meet its obligations and enable it to develop new initiatives to deliver its charitable objectives. Council considers a prudent level of free reserves for the Association to be nine months' operating expenditure. At 31 December 2018 free reserves totalled £2,065,000 which amounted to 8.5 months' expenditure (2017: nine months). Fuller information on Reserves is shown in the Reserves note within Accounting Policies on page 41.

Thank you

I would like to record my thanks to the members of the Finance Steering Group who served during the year and also Jane Ashton, Paul Davies, Harriet Archer and the Finance Team for their help and support.

Finally, as mentioned in Tracy's page, Jean Jesty sadly passed away at the turn of the year. Her contribution to the ATT and this committee had been outstanding and we will all miss her wisdom and cheerfulness.

David Bradshaw
Treasurer

ASSOCIATION GOVERNANCE

ANNUAL REPORT 2018

Compliance statement

The Association operates within the terms of its Articles of Association and its management is under the control of the Council of the Association. The Association is committed to business integrity and high ethical values in all its activities and the Council has overall responsibility for the Association's internal controls. The Council has considered the guidance published by the Charity Commission and concluded that the Charity's core activity satisfactorily addresses the principles of identifiable public benefit and demonstrates that the charity has fulfilled the public benefit requirement under Section 17 of the Charities Act 2011.

Council

As at 31 December 2018 the Council comprised 20 Trustees. They provide a wide range of skills and experience. The majority are tax practitioners working in the accountancy and legal professions. They fulfil both executive and non-executive roles such that no individual or small group of individuals can dominate Council decisions. The roles of the President, Deputy President and Vice President are separate and clearly defined. The Council considers that its non-Council committee members are independent.

The Council met four times during the year to deal with Trustee business, review financial performance, strategy and risk at which there were formal agendas of matters specifically referred to it for decision. Council papers, including an agenda, Council and committee minutes and briefing papers, are sent to Council members in advance of each meeting. Council members achieved an overall attendance rate of 94% (2017: 87%) at Council meetings. Council and committee members are required to make declarations of interest in any matter arising at meetings whenever appropriate. A Register of Council and committee members' interests is kept. Members of Council have access to the advice and services of Association staff and may take independent professional advice at the expense of the Association. There are a number of standing committees of Council to which implementation of the Association's strategy has been delegated. Standing committees adopt

the same approach to the preparation and distribution of papers for meetings. Membership of the committees as at 31 December 2018 is set out on pages 32 and 33.

Election to Council

Election of up to 24 members of Council is by the Members of the Association at the Annual General Meeting. The Chartered Institute of Taxation is entitled to nominate one member of Council. Council is responsible for processing nominations for election to Council and for the election of the Honorary Officers.

New Council members, who must also be Members of the Association, are selected for what they can contribute to the Association and they must sign a declaration that they are not disqualified from acting as a Trustee as detailed in Section 178 of the Charities Act 2011. They are also required to confirm that there is no matter which they should bring to the attention of the Association which might bring the Association into disrepute. In addition a background check is conducted by an independent company. There is a Trustee (Council Member) Code of Conduct, which they agree to adhere to. Trustee training is provided each year for new and existing Trustees and a Trustees' Handbook has been issued to all Trustees.

Audit Committee

The Audit Committee, a joint committee of the Association and the Chartered Institute of Taxation, has a formal constitution and a separate budget. Its members are appointed by the Councils of the Association and the Institute and comprise a serving member of each Council, a nominee from each of the Association and the Institute and two other independent members. The Executive Director attends all meetings. Members of the Committee receive no remuneration for their services although travel expenses are reimbursed, operate independently from the Council, have both accountancy and taxation qualifications and recent and relevant experience.

ASSOCIATION GOVERNANCE

ANNUAL REPORT 2018

The Committee acts as a catalyst in relation to matters that affect the Association's financial controls, reporting requirements and risk management and is authorised to seek any information it requires from members of the Council, the external auditor and the staff. In this role it reviews: financial control policies and their practical implementation; the changes in the external environment and the procedures used to respond to them; and the management of any prospective risk.

It has a specific responsibility for making a recommendation to Council on the appointment and removal of the external auditor. It met three times during the year, and requests and receives reports from management and from the external auditor on the audit. It considers annually a wide range of audit-related subjects and reports directly to the Council and comments on perceived weaknesses. No major weaknesses in internal control systems have been identified.

Council member remuneration

Council members receive no remuneration for their services as Trustees although their expenses incurred on Association business are reimbursed. There is provision in Article 6 of the Articles of Association for up to six members of the Council or former members who have served on the Council in the last three years to receive remuneration for their services as a lecturer or examiner. During 2018 one member of Council was paid for their services as a lecturer at the annual tax conferences and the joint conferences with the Association of Accounting Technicians (2017: one).

Internal controls

The respective responsibilities of the Council and auditor in connection with the financial statements are explained on pages 34 and 35. The Council's statement on going concern is set out below. There were no non-audit services provided by the auditor during the year.

The Council is responsible for the Association's system of internal control and for taking such steps as are reasonably open to it to safeguard the assets of the Association and to prevent and detect fraud and other irregularities. The

guidance refers to internal controls in the widest sense, including financial, operational and compliance controls and risk management.

Responsibility for managing the business of the Association rests, ultimately, with Council. However, management of the day-to-day activity is delegated to the Executive Director and the Officers. Certain powers of the Council are delegated to committees and to the Executive Director who are also entrusted with carrying out appropriate aspects of the Association's strategy. An annual letter of assurance is signed by Association executives with responsibility for the preparation of financial statements and the adequacy of internal financial compliance and non-financial controls.

Key financial and operational measures are reported on a quarterly basis and are measured against both budget and interim forecasts that have been approved and reviewed by the Council. The Council has established a clear organisational structure with defined authority levels.

The Council acknowledges that it is responsible for the Association's system of internal control and for reviewing its effectiveness. As with all such systems, internal control is designed to manage rather than eliminate the risk of failure to achieve strategic objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Council reviews the effectiveness of the Association's system of internal controls on a regular basis by monitoring the reports from the Audit Committee and other committees.

The Council keeps under review the need for an internal audit function at the Association. The Council's current view, supported by the Audit Committee, is that a separate function is not required given the size and nature of the Association, the close management supervision exercised and the attention paid to the adequacy of financial and operational controls.

ASSOCIATION GOVERNANCE

ANNUAL REPORT 2018

Risk management

Council has delegated responsibility for the maintenance of the Association's Risk Register to the Leadership Team. The Register has the objectives of increasing stakeholders' confidence in the integrity of the Association, strengthening the ongoing process of risk assessment of uncertainty throughout the Association, and providing a valuable management tool or framework for mitigating risks which might otherwise prevent the Association from achieving its charitable objectives.

We have identified the following as our principle risks:

- Qualification fails to meet the requirements of employers and students - the examination syllabus is reviewed annually and we have embarked on a programme of employer engagement to ensure that the qualification remains attractive and relevant.
- Our public voice is ignored – we have strengthened our Technical Team and regularly meet with HMRC and HM Treasury. We contribute to consultations on the development of the UK tax system to ensure that, for the general public, it is workable and as fair as possible.
- Significant loss of income, particularly from members – we survey members and employers of our members on a regular basis to ensure that we are providing the services they want.
- IT system development – the costs associated with moving more into a digital world are constantly monitored and controlled.
- The introduction of the Office for Professional Body Anti-Money Laundering Supervision (OPBAS) increases our costs

disproportionately and causes members to resign – we are in contact with the Financial Conduct Authority to ensure that costs imposed on us are fair and proportional to our size.

The development and maintenance of the Association's Risk Register is a continuing process of refinement and integration into the management process.

Going concern

The Council has reviewed the Association's budget for 2019 and beyond and the timing of expenditure relating to its strategy and is satisfied that it is appropriate to prepare the financial statements on the going concern basis.

Jane Ashton
Executive Director

COMMITTEES OF COUNCIL

ANNUAL REPORT 2018

Leadership Team		
Tracy Easman <i>Chair</i>	David Bradshaw	Ralph Pettengell
Graham Batty	Jeremy Coker	Richard Todd

* Co-opted member

Member Steering Group		
Katharine Lindley <i>Chair</i>	Sarah Hewson *	Stella Pickering *
Colin Bruce *	Andrew McKenzie-Smart *	Seb Purbrick *
Richard Freeman	Banin Oozeerally *	Amanpreet Purewall *
Simon Groom	Samantha Perkin *	Tanya Wadeson
Georgiana Head *		

Finance Steering Group		
David Bradshaw <i>Chair</i>	Katharine Lindley	Chris Pimblott *
Jeremy Coker	Julian Millinchamp	Andrew Shearer *

Education Steering Group		
Jeremy Coker <i>Chair</i>	Vicky Hulse *	Claire Oglesby *
Angelai Fong *	Stuart McKinnon *	Anu Venkataram *
	Natalie Miller *	

Examination Steering Group		
Natalie Miller* <i>Chair</i>	Amanda Fisher *	Angela Petty *
Graham Batty	Jacqueline Hall	Chris Reynolds *
Julie Dingwall *	Vicky Hulse *	Khaliu Solongo *

Technical Steering Group		
Michael Steed/Jonathan Stride <i>Co Chairs</i>	Abigail Holland *	Senga Prior
	Arnold Homer *	Nichola Ross Martin *
Trevor Blackmur *	Gillian McClenahan *	Oliver Rowland *
Adela Cebotari *	Yvette Nunn *	Kevin Slevin *
Ann Elmer *	Hayley Perkin	Stephen Taylor *
Matthew Herring *		

VAT Sub-Group		
Stephen Taylor * <i>Chair</i>	Christopher Lewis *	Arif Punjani *
Nancy Cruickshanks	Julian Millinchamp	Nichola Ross Martin *
Glyn Edwards *	Hugh Mitchell *	Michael Steed
Jamie Jarrett *		

Business Development Steering Group		
Hayley Perkin <i>Chair</i>	Simon Groom	Kay Mind
Colin Bruce *	Hilary Hart *	Samantha Perkin *
Nic Byrne *	Georgiana Head *	Stella Pickering *
Richard Freeman	Andrew McKenzie-Smart *	Seb Purbrick *

COMMITTEES OF COUNCIL

ANNUAL REPORT 2018

Joint Officers and Senior Staff Forum (joint with the Institute)

* Co-opted member

Chairman alternates between Presidents

Graham Batty	Jeremy Coker	Ralph Pettengell
David Bradshaw	Tracy Easman	Richard Todd

Professional Standards Committee (joint with the Institute)

Richard Todd <i>Vice Chair</i>	Peter Davis *	Colin Murrell *
David Bird	Tracy Easman	David Stedman *
Helen Brookson	Lisa Macpherson *	Anthony Thomas *
Nancy Cruickshanks		

Audit Committee (joint with the Institute)

Rakesh Shaunak * <i>Chair</i>	Peter Newsam *	Ralph Pettengell
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Performance and Remuneration Committee (Joint with the Institute)

Vincent Oratore <i>Chair</i>	David Stedman *	Ralph Pettengell
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Representations on committees of the Institute

Officers Group

Tracy Easman

Technical Committee

Michael Steed/Jonathan Stride

Education Committee

Jeremy Coker

Examination Committee

Natalie Miller *

Finance & Operations Committee

David Bradshaw

Tax Adviser Sub Committee

Yvette Nunn *

STATEMENT OF DIRECTORS' RESPONSIBILITIES

ANNUAL REPORT 2018

The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The Trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.

INDEPENDENT AUDITOR'S REPORT

ANNUAL REPORT 2018

Opinion on financial statements

We have audited the financial statements of the Association of Taxation Technicians (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows; the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards' including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material mis-statements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

INDEPENDENT AUDITORS' REPORT

ANNUAL REPORT 2018

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material mis-statement when it exists. Mis-statements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Catherine Biscoe (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Statement of Financial Activities (including income and expenditure account) for year ended 31 December 2018

	Unrestricted Funds 2018 £'000	Unrestricted Funds 2017 £'000
Income:		
Charitable activities ^{2a}	2,746	2,651
Income from other trading activities ^{2b}	1	4
Investment income ^{2c}	48	47
Total income	2,795	2,702
Expenditure:		
Cost of raising funds ^{2d}	12	10
Expenditure on charitable activities ^{2d}	2,912	2,570
Total expenditure	2,924	2,580
Operating loss/gain	(129)	122
Net (losses)/gains on investments ⁵	(94)	101
Net (expenditure)/income³	(223)	223
Net movement in funds	(223)	223
Reconciliation of funds		
Total funds brought forward at 1 January ¹²	2,702	2,479
Total funds carried forward 31 December ¹²	2,479	2,702

The above results are derived from continuing activities and all gains and losses recognised in the year are included above. The notes on pages 40 to 50 form part of these financial statements.

FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Registered Company Number 02418331

Balance Sheet as at 31 December 2018

	2018 £'000	2017 £'000
Fixed Assets:		
Tangible Fixed Assets ⁴	1	1
Intangible Fixed Assets ⁴	6	0
Investments ⁵	1,188	1,256
Total Fixed Assets	1,195	1,257
Current Assets		
Stock ⁶	0	34
Debtors ⁷	260	167
Cash at bank and in hand	2,143	2,549
Total Current Assets	2,403	2,750
Liabilities		
Creditors falling due within one year ⁹	(915)	(1,093)
Net Current Assets/(Liabilities)	1,488	1,657
Total assets less current liabilities	2,683	2,914
Creditors falling due after more than one year ¹⁰	(204)	(212)
Net Assets	2,479	2,702
Funds of the charity:		
Restricted	0	0
Unrestricted ¹¹	2,479	2,702

Approved and authorised for issue by the Council on 4 April 2019 and signed on its behalf by:

T. Easman, *President*

D. Bradshaw, *Honorary Treasurer*

J. Ashton, *Executive Director*

FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Cash flow statement for the year ended 31 December 2018

	2018 £'000	2017 £'000
Net cash(used in)/provided by operating activities <small>(Table A below)</small>	(422)	38
Cash flows from investing activities		
Dividends and interest from investments	48	47
Purchase of fixed assets	(6)	0
Purchase of investments	(130)	(138)
Proceeds from sale of investments	104	130
Net cash provided by investing activities	16	39
(Decrease)/Increase in cash and cash equivalents in the year <small>(Table B below)</small>	(406)	77
Cash and cash equivalents at 1 January	2,549	2,472
Cash and cash equivalents at 31 December	2,143	2,549

Table A

	2018 £'000	2017 £'000
Reconciliation of net income/expenditure to net cash flow from operating activities		
Net (expenditure)/income as per the SOFA	(223)	223
Adjustments for:		
Dividend and interest from investment	(48)	(47)
Loss/(Gains) on investments	94	(101)
Decrease in stock	34	1
(Increase) in debtors	(93)	(29)
(Decrease) in creditors	(186)	(9)
Net cash (Used in)/provided by operating activities	(422)	38

Table B

	2018 £'000	2017 £'000
Analysis of cash and cash equivalents		
Cash in hand	53	59
Notice deposits (less than 3 months)	2,090	2,490
Total cash and cash equivalents	2,143	2,549

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation of accounts

The financial statements have been prepared in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The Association of Taxation Technicians is a company limited by guarantee and registered as a charity with the Charity Commission. The Association of Taxation Technicians meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared for the year to 31 December 2018 presented in sterling and rounded to the nearest thousand pounds. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

In the opinion of the trustees there were no judgements made that have a significant effect on the amounts recognised in the financial statements nor any key assumptions or estimates made which might cause a material adjustment to the carrying value of assets and liabilities.

The Chartered Institute of Taxation of 30 Monck Street, London SW1P 2AP is a connected charity but it is not subordinate to the Association and therefore consolidated financial statements have not been prepared. Further information on the relationship can be found in note 16.

Going Concern

As detailed in the Council Members' responsibilities statement, the accounts are prepared on a going concern basis unless it is inappropriate to presume that the Association will continue in operation. The Association's Council Members have approved the Association's budgets and forecasts for 2019 and conclude that the Association has adequate resources to continue in operational existence for at least twelve months from the date of the signing of the financial statements.

Income Recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met and it is probable that the income will be received and the income can be reliably measured.

Student registration fees are not refundable and are credited to income over the period of the registration with 40% recognised in the first year and 15% in each subsequent year. For Tax Pathway students, registration fees are credited to income over the period of registration with 50% recognised in the first year of 12.5% in each subsequent year.

Subscriptions, sponsorship, examination fees and registration income are credited to income over the period to which they relate with that portion relating to subsequent years included in creditors. The date to which examination fees relate is deemed to be the date of the examination. Investment income from the Association's portfolio of investments is credited on an earnings basis each year.

Expenditure Recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Expenditure on raising funds comprise the costs of commercial trading including investment management costs.

Expenditure on charitable activities includes, but is not limited to, the cost of member services, student services, education, governance and grants.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

Allocation of support costs

Support costs are central administration costs that assist the work of the charity but are not directly allocated to charitable activities. These costs are allocated across the categories of charitable expenditure and governance costs. The basis of allocation is given in note 2d to the financial statements. Governance costs, now included as a part of support costs rather than a separate category, include those incurred in the governance of the charity and are primarily associated with organisational administration, and constitutional and statutory requirements.

Reserves

In 2018 the target for reserves was composed as follows:

	2018 £'000
9 months running costs to provide financial stability and enable the Association to meet its commitments for a reasonable period in the event of adverse operating conditions.	2,228
To cover (i) the unpredictable future costs of investigations and disciplinary hearings by the Taxation Disciplinary Board; (ii) the cost of improvements to our IT systems and website; and (iii) the property costs	414
	2,642
Actual reserves at 31 December 2018 (excluding restricted funds)	2,479
Deficit in target level of reserves	163

Fixed Asset Investments

Investments have been valued at fair value at 31 December 2018. The fair value of investments quoted on a recognised stock exchange is the quoted bid price. Account is therefore taken of both realised and unrealised gains in the Statement of Financial Activities.

Intangible and Tangible Fixed Assets and Depreciation and Amortisation

All single purchases of less than £1,000 (inc VAT) are written off in full to the Statement of Financial Activities in the year of purchase unless forming part of a bulk purchase where the total is £1,000 (inc VAT) or more, which is capitalised.

Depreciation and amortisation are calculated to write off the cost of fixed assets over their estimated useful lives on a straight line basis as follows:

Office equipment 25%

Intangible assets relating to digitalisation of the ATT coat of arms 20%

Stock

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Stock is valued at the lower of cost and net realisable value. An annual review is carried out for any obsolete stock which is written off accordingly.

Debtors

Trade and other debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments and are not considered to be of a financing nature. Such financial instruments, except for investments classified at fair value through profit or loss, are initially recognised at the transaction value and subsequently measured at their settlement value.

Pension Costs

Members of staff are eligible to join the Association's defined contribution retirement benefit scheme. The scheme provides individual pension plans which are managed by independent pension providers. The amounts charged to the statement of financial activities in respect of pension costs is the actual contribution payable in the year as part of the shared cost agreement.

Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate set at the date of transaction. All differences are taken to the statement of financial activities.

Taxation

The Association meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to exemptions set out in Part 11 Corporation Tax Act 2010 and section 256 Taxation of Chargeable Gains Act 1992 to the extent that its income and gains are applied for charitable purposes.

Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees' for particular purposes.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102),

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

the general volunteer time is not recognised. Please refer to the trustee's annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

2. Analysis of income and expenditure

2a. Income from Charitable Activities

	2018 £'000	2017 £'000
Membership subscriptions	1,301	1,313
Entrance fees	30	34
Student registrations	315	254
Examination fees	764	736
Conference and event fees	132	120
Anti Money Laundering Fees	72	69
Sale of books	116	112
Grant Income	4	0
Other Income	12	13
	2,746	2,651

The income from charitable activities was £2,746k (2017: £2,651k) of which all was unrestricted (2017: all).

2b. Income from Other Trading Activities

	2018 £'000	2017 £'000

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Sponsorship	1	4
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2c. Income from Investments

	2018 £'000	2017 £'000
Dividend income	40	39
Deposit account interest	8	8
	48	47

2d. Breakdown of expenditure

	Activities undertaken directly £'000	Support Costs £'000	Grant funding of activities £'000	Total 2018 £'000	Total 2017 £'000
Charitable activities					
Member Services	470	804	2	1,276	1,020
Student Services	567	924		1,491	1,330
Promotion	50	95		145	220
	1,087	1,823	2	2,912	2,570
Raising funds					
Investment management costs	12			12	10
2018	1,099	1,823	2	2,924	2,580
2017	1,048	1,522	10	2,580	

Support costs (including governance costs) are central administration costs allocated to each activity on the same proportional basis as expenditure incurred directly and are analysed as follows:

	2018 £'000	2017 £'000
Support costs comprising:		
Staff costs	1,170	1,139
Operating costs	261	257
Property	247	38
Governance costs comprising:		
Audit fee	11	11
Legal and professional fees	7	10
Council meetings (inc. Council members' expenses)	44	54
Property	20	3
Staff costs	63	10
	1,823	1,522

Grants payable in respect of charitable activities

	2018 £'000	2017 £'000

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Grants payable to tax and other charities to help meet the core operating costs of providing free tax advice to persons who cannot afford to pay for professional help or training and to promote public understanding of tax matters		
Tax Advisers Benevolent Fund (registered Charity no. 1049658)	(4)	(2)
Tax Aid (registered Charity no. 10622852)	6	6
Tax Volunteers (registered Charity no. 1102276)	0	6
	2	10

3. Net income/(expenditure) for the year

	Total 2018 £'000	Total 2017 £'000
This is stated after charging:		
Fair value losses/(gains) on investments	94	(101)
Auditors' Remuneration:	11	11

4. Fixed Asset

	Office equipment	Total Tangible Fixed Assets £'000	Intangible Fixed Assets £'000	Total Fixed Assets £'000
Cost at 1 January	1	1	0	1
Additions/Disposals	0	0	7	7
Cost at 31 December 2018	1	1	7	8
Depreciation at 1 January	0	0	0	0
Charge for the year	0	0	1	1
Disposals	0	0	0	0
Depreciation at 31 December 2018	0	0	1	1
Net book value at 31 December 2018	1	1	6	7
Net book value at 31 December 2017	1	1	0	1

All tangible fixed assets are held for charitable purposes.

5. Fixed Asset Investments

	2018 £'000	2017 £'000
Fair value at 1 January	1,256	1,147
Disposal Proceeds	(104)	(130)
Acquisitions	130	138
Unrealised (loss)/gain on investment assets	(97)	99
Realised gain on sale of investments	3	2
Fair value at 31 December	1,188	1,256
Historical cost	1,125	1,030

There was no single investment representing more than 5% of the portfolio valuation at 31 December 2018 (2017- none)

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Listed investments held at 31 December comprised of the following:		
Fixed interest	134	136
Listed UK equities	651	627
Listed International equities	259	296
Other Assets	144	197
	1,188	1,256

6. Stock

	2018 £'000	2017 £'000
Publications and merchandise	0	34

7. Debtors

	2018 £'000	2017 £'000
Trade debtors	66	33
Other debtors	1	4
Prepayments	30	35
Accrued income	148	90
Other Taxes Due	15	5
	260	167

8. Analysis of changes in cash and short-term deposits

	2018 £'000	2017 £'000
Cash at bank	53	59
Cash on short-term deposit	2,090	2,490
	2,143	2,549

9. Creditors: Amounts falling due within one year

	2018 £'000	2017 £'000
Trade creditors	26	137

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Accruals	68	122
TDB	0	11
The Chartered Institute of Taxation	318	313
Deferred income (fees and subscriptions received in advance)	503	510
	915	1,093

Deferred income includes subscriptions, examination fees and conference fees paid in 2018 but relating to income and events in 2019.

Deferred Income

	2018 £'000	2017 £'000
Student Registration Fees		
Amount brought forward	332	313
Fees received in year	168	243
Fees released to income in year	(158)	(224)
Amount carried forward	342	332
Subscription and other fees	365	390
	707	722
Total Deferred Income		
Representing:		
Within one year	503	510
After one year	204	212
	707	722

10. Creditors: Amounts falling due after one year

	2018 £'000	2017 £'000
Student registration fees	204	212

11. Financial Instruments

	2018 £'000	2017 £'000
Financial Assets		
Debt Instruments measured at amortised cost	66	33
Instruments measured at fair value through profit and loss	1,188	1,256

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Amount carried forward	1,254	1,289
Financial Liabilities		
Measured at amortised cost	344	450
Amount carried forward	344	450

12. Income Funds: Unrestricted

	At 01.01.18 £'000	Income £'000	Expenditure £'000	Transfer £'000	At 31.12.18 £'000
Unrestricted					
General	2,232	2,795	(3,018)	56	2,065
Designated					
Property	245	-	-	(56)	189
Disciplinary procedures	150	-	-	-	150
Technology	75				75
	2,702	2,795	(3,018)	0	2,479

13. Analysis of net assets between funds

	Unrestricted Fund £'000	Designated Fund £'000	Total £'000
Tangible Fixed Assets	1		1
Intangible Fixed Assets	6		6
Investments	1,188		1,188
Cash on short-term deposit and at bank	1,729	414	2,143
Other net current (liabilities)	(655)		(655)
Creditors falling due after more than one year	(204)		(204)
	2,065	414	2,479

The total unrealised gains at 31 December 2018 constitutes movements on revaluation and are as follows:

	2018 £'000	2017 £'000
Unrealised gains included above:		
On investments	63	226
Total unrealised gains at 31 December	63	226
Reconciliation of movements in unrealised gains:		

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

Unrealised gains at 1 January	226	140
Add/(less) in respect to disposals in year	(66)	(13)
	160	127
Add/(less) gains/(losses) arising on revaluations in year	(97)	99
Total unrealised gains at 31 December	63	226

Capital Commitments

At 31 December 2018 there were no capital commitments contracted or authorised but not contracted (2017: none).

Financial Commitments

Financial Commitments authorised but not contracted for at 31 December 2018 £nil (2017 - £nil).

14. Personnel

All members of staff, with the exception of the Chief Executive of the Chartered Institute of Taxation, who is employed by the Institute and the Executive Director of the Association of Taxation Technicians who is employed by the Association, are jointly employed by the Chartered Institute of Taxation and the Association of Taxation Technicians. All costs are initially disbursed by the Institute and an agreed proportion is attributed to the Association.

The Association has maintained liability insurance throughout the year to pay on behalf of the Association or its Council, committee members and staff, any claims for wrongful acts arising out of the conduct of the Association's business, or committed in their capacity as officers. The insurance premium paid by the Association covering both claims against the Association and the Trustees personally amounts to £12,674 (2017: £10,877).

There was an outstanding pension contribution at the year end of £43,059 (2017:£40,936).

The average number of employees is 85 (2017 - 86) and the number whose salary and benefits in kind, including termination payments, fell within the following scales is as follows:

	2018	2017
£60,001 - £70,000	3	5
£70,001 - £80,000	2	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1

Total staff costs:

	2018	2017
	£'000	£'000
Salaries	3,602	3,365

NOTES TO FINANCIAL STATEMENTS

ANNUAL REPORT 2018

National Insurance	368	353
Pension costs	508	442
	4,478	4,160

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The key management personnel of the Association of Taxation Technicians comprises Executive Director, Director of Education and Director of Finance and Operations . The total employee benefits and remuneration of the key management personnel during the year was £206,400 (2017: £196,755)

15. Donated Services and Facilities

In accordance with Charities SORP (FRS102) the contribution of unpaid volunteers is not recognised as income in the financial statements given the absence of a reliable measurement basis. More information about the contribution is given on page 6. Donated services and facilities are recognised on receipt or supply on the basis of the value of donation or contribution which is the amount that the Association would be willing to pay or charge to obtain or supply facilities and services on the open market. Corresponding amounts are recognised as income and expenditure in the period. Significant accounting estimates and judgements.

16. Related party transactions

Council members receive no remuneration for their services as Trustees. The Articles of the Association state that reasonable and proper remuneration can be made to any member or former member in his capacity as an examiner or lecturer, providing no more than six persons, being members of the Council or former members who served in the Council in the previous three years, shall benefit from this provision in any calendar year. Council members' remuneration for the year was £11,340 (2017: £9,120). Details of the individual Council members' remuneration can be obtained on written request to the registered office on page 10. Council members' travelling expenses are reimbursed in respect of expenses incurred on Association business.

In the year ended 31 December 2018, 17 Council members claimed reimbursement of expenses of £18,820 (2017 : 17 claimed a total of £26,775 or the year). In addition £2,577 (2017: £1,443) was paid directly to third parties in relation to trustees accommodation and subsistence. Expenses waived by trustees in 2018 were immaterial (2017 - immaterial).

Council members pay subscriptions on the same basis as other Members.

The Chartered Institute of Taxation

The Institute is a connected charity in that it has common, parallel or related objects and activities and unity of administration with the Association. All employees, with the exception of the Chief Executive of the Chartered Institute of Taxation who is employed by the Institute are jointly employed by the Institute and the Association. Labour, operating and overhead costs borne by the Institute on behalf of the Association are charged to the Association on a quarterly basis using a simple and equitable formula agreed by both parties.

At a meeting of the Officers of both parties it was agreed that the current formula would continue with a review annually.

The total allocation for the year is £1,624,789 (2017: £1,335,547) and the balance outstanding from the Association at the balance sheet date was £317,850 (2017: £313,404).

ANNUAL REPORT 2018

The Taxation Disciplinary Board

The Association and the Institute have an agreement with the Taxation Disciplinary Board, a company limited by guarantee managed by an independent board of directors. Neither the Association nor the Institute exercise any significant influence over the operating and financial policy of the Board whose object is to administer the Taxation Disciplinary Scheme. The Association's contribution to costs in the year was £46,394 (2017: £54,000). The amount due to the Taxation Disciplinary Board from the Association of Taxation Technicians at the balance sheet date was £nil (2017: £11,423).

BIOGRAPHIES OF OFFICERS & COUNCIL MEMBERS

ANNUAL REPORT 2018

Graham Batty

Age 62. Graham joined Council in 2012. He is the Association's immediate past President. Graham is a former Chair of both the Leeds and Birmingham & West Midlands Branches. He became a member of the Association in 2005 and was appointed a Fellow in 2015. Graham qualified as a chartered accountant in 1983 and became a member of the Chartered Institute of Taxation in 1986. He is an Associate Director at RSM, specialising in the taxation of charities and other not for profit bodies.

David Bird

Age 53. David joined Council in 2016. He serves on Professional Standards Committee and is a former Chair of the Hampshire Branch. He became a member of the Association in 2016. David qualified as a solicitor and became a member of the Chartered Institute of Taxation in 1994. David specialises in tax law, trusts and succession law and practice and his clients range from business owners and farmers to those with inherited wealth. David is a partner with Irwin Mitchell in their Southampton and Chichester offices.

David Bradshaw

Age 63. David joined Council in 2015. He is currently Honorary Treasurer and chairs Finance Steering Group, as well as serving on the Joint Branches Sub-Committee. At various intervals over the past 10 years David has been Chair, Treasurer and Secretary of the North East England Branch. He became a member of the Association in 2015 and qualified as a Chartered Tax Adviser in 1984. He has spent time with all four of the world's largest accountancy practices and has specialised in taxation in both the SME marketplace and large corporate tax departments. He now acts as a corporate Tax Consultant to a number of North East businesses.

Helen Brookson

Age 57. Helen joined Council in 2018. She serves on Professional Standards Committee and is a former member of Business Development Steering Group. She became a member of the Association in 2004 and was appointed a Fellow

in 2015. She also holds the STEP qualification. Helen was instrumental in setting up the Suffolk Branch and is a former Secretary and Chair. Having begun her career in the Inland Revenue, Helen has worked for a firm of solicitors and ran her own practice. She is currently a volunteer tax adviser for Tax Help for Older People.

Jeremy Coker

Age 55. Jeremy joined Council in 2008 and is currently Deputy President. He chairs Education Steering Group and serves on Finance Steering Group. Jeremy is a former Chair of the London Branch. He became a member of the Association in 2008 and was appointed a Fellow in 2017. He qualified as a Chartered Tax Adviser in 2000 and also holds the ACA qualification. Jeremy works in practice with a City firm of chartered accountants.

Nancy Cruickshanks

Age 58. Nancy joined Council in 2017. She serves on Professional Standards Committee and VAT Sub-Group, HMRC's Joint VAT Consultative Committee. She became a member of the Association in 1993 and was appointed a Fellow in 2011. She qualified as a Chartered Tax Adviser in 1995 and also holds the ACMA qualification. She is VAT Partner at Shipleys.

Tracy Easman

Age 53. Tracy joined Council in 2011 and is the Association's President. She also serves on CIOT Council. She is a former Chair of the Joint Professional Standards Committee and still serves on this. Tracy is a former Secretary and Chair of Sussex Branch. She became a member of the Association in 1993 and was appointed a Fellow in 2012. She qualified as a Chartered Tax Adviser in 2000. Tracy started her career with the Inland Revenue and has worked for two tax consultancy firms. She now runs her own practice in West Sussex.

Richard Freeman

Age 43. Richard joined Council in 2015. He serves on Business Development and Member Steering Groups. Richard currently chairs the HMRC Branch and is a former Chair of Birmingham &

BIOGRAPHIES OF OFFICERS & COUNCIL MEMBERS

ANNUAL REPORT 2018

West Midlands Branch. He became a member of the Association in 2015. Richard qualified as a solicitor in 2000, and as a Chartered Tax Adviser in 2003. Richard has worked in leading legal and accounting firms and now works for HMRC, where he is a senior tax professional providing technical support to operational teams across the whole range of employment duties and share schemes.

Simon Groom

Age 55. Simon joined Council in 2018. He serves on Business Development and Member Steering Groups and is a former member of Audit Committee. He became a member of the Association in 2003. Simon qualified as a chartered accountant in 1987 and as a Chartered Tax Adviser in 1991. He has spent many years in training students for the ATT and CTA examinations and is Director of Tolley Learning at LexisNexis.

Jacqueline Hall

Age 57. Jacqueline joined Council in 2016. She serves on Examination Steering Group and is a former Chair of Hull Branch and still serves on the Branch Committee. She became a member of the Association in 2016 and is also a Chartered Tax Adviser and Chartered Accountant. Jacqueline is a Partner with RSM, providing business and tax advisory and compliance services to owner managed businesses, large employers and individuals.

Katharine Lindley

Age 45. Katharine joined Council in 2012. She chairs Member Steering Group and serves on Finance Steering Group. She became a member of the Association in 1999 and was appointed a Fellow in 2012. Katharine is a Chartered Tax Adviser, a Chartered Financial Planner and Certified Financial Planner. She specialises in the provision of strategic financial advice to high net worth clients and has worked in the financial planning teams of PwC, Towers Watson and Tilney Bestinvest. She is now Client Director at EQ Investors.

Julian Millinchamp

Age 62. Julian joined Council in 2014. He serves on Finance Steering Group and VAT Sub-Group.

Julian is a former Chair of Severn Valley Branch. He became a member of the Association in 2014 and qualified as a Chartered Tax Adviser in 2000. Julian started his career with Spicer and Pegler in Birmingham and has spent some time as a lecturer. He is currently a Senior VAT Manager with Hazlewoods in Cheltenham.

Kay Mind

Age 52. Kay joined Council in 2015 and serves on Business Development Steering Group. Kay became a member of the Association in 1990 and was appointed a Fellow in 2011. She started her career with the Inland Revenue and has worked in the Private Client Groups at Saffery Champness and BDO. She presently works for Haysmccintyre.

Hayley Perkin

Age 33. Hayley joined Council in 2014. She chairs Business Development Steering Group and serves on Technical Steering Group and represents ATT Council on the New Tax Professionals Joint Committee. She also represents ATT on HMRC's Employment and Payroll Group. Hayley became a member of the Association in 2009. She works in practice as a tax manager, specialising in employment taxes.

Ralph Pettengell

Age 58. Ralph joined Council in 2006. He is a past President of the Association. Ralph serves on Audit and Performance & Remuneration Committees. He became a member of the Association in 1993 and was appointed a Fellow in 2014. Ralph holds a number of qualifications in the Financial Services Industry: the FPFS and the ACII qualification specialising in Pensions. He is a Chartered Financial Planner and holds the ACSI qualification in Investment Management. Ralph is the Managing Partner of Pettengell Wealth Management LLP, a firm that offers wealth management strategies to High Net Worth Individuals, Family Offices and Trustees.

Senga Prior

Age 54. Senga joined Council in 2017. She serves on Technical Steering Group and represents ATT at the Scottish Devolved Taxes Collaborative and ICAS meetings with the Scottish Government.

BIOGRAPHIES OF OFFICERS & COUNCIL MEMBERS

ANNUAL REPORT 2018

Senga became a member of the Association in 2002 and a Fellow in 2017. She works in practice as a tax manager for Johnston Carmichael specialising in personal tax. She has a particular interest in technology and accounting software.

Michael Steed

Age 65. Michael joined Council in 2009. He is a past President of the Association and co-chairs Technical Steering Group. Michael became a member of the Association in 2009 and was appointed a Fellow in 2013. He qualified as a Chartered Tax Adviser in 1995. He has practised in all areas of taxation and specialises in SMEs and indirect taxation. He is Head of Tax for BPP Professional Development and a partner in an OMB practice in Kent.

Jonathan Stride

Age 57. Jonathan joined Council in 2016. He co-chairs Technical Steering Group and is Vice Chair of the Joint Working Together Committee and the ATT representative on the Issues Overview Group. He is a member of the Somerset and Dorset Branch Committee. Jonathan became a member of the Association in 2005 and was appointed a Fellow in 2016. He works for a firm in Dorset.

Richard Todd

Age 53. Richard joined Council in 2013. He is the Association's Vice President. He is Vice Chair of the Joint Professional Standards Committee and a former Chair of the Northern Ireland Branch. Richard became a member of the Association in 1996 and qualified as a Chartered Tax Adviser

in 1998. He began his tax career with the Inland Revenue in London and Central Scotland before returning to Northern Ireland in 1998. He presently works in practice in Belfast.

Tanya Wadson

Age 42. Tanya joined Council in 2009. She serves on Member Steering Group and is a former Secretary of Sussex Branch. She became a member of the Association in 2003. She specialises in Trust Tax at a firm of solicitors on the South Coast.

Executive Director: Jane Ashton

Age 50. Jane was appointed Executive Director in March 2016. Jane became a member of the Association in 1993 and was appointed a Fellow in 2011. She is a former member of the Association's Council. Jane was previously with HMRC where over a thirty year period she held various posts gaining considerable experience both in tax and change programmes.

NEW MEMBERS

ANNUAL REPORT 2018

Abid Nafees
Absar Saiyed
Adams Emma
Adamus Mateusz
Afari Shadell
Agarwal Amit
Agarwal Sonal
Agarwal Ashwani
Aguiar Stacia
Ahmad Iram
Ahmed Leelon
Akhtar Waqar
Alder Simon
Alford Victoria
Alg Inderraj
Ali Aamna
Ali Khalid Malik
Allan Donald
Allan Anthony
Allsop Louis
Allsop Sophie
Annis Stephen
Armelin Henry
Ashby Laura
Aslam Muhammad
Avital Benjamin
Azam Mohammad
Baigent Mark
Bailey Rachel
Baldwin Benjamin
Balmer Hugh
Bamber Matthew
Bani Shiza
Banner Rachel
Barchenkova Irina
Barclay Ross
Barth-Heyerdahl Ida
Bartkiv Iryna
Bashir Asia
Bassey Bella
Battersby Bruce
Beauchamp Christopher
Beaumont Ashley
Beers Jonathan
Beever Alexandra
Belim Marco
Bell Stephanie
Bennett Declan
Bennie Reuben
Benson Greg

Beresford Brad
Beresford Eilidh
Bergin Alice
Berry Rhona
Berryman Kirsty
Berwick Eleanor
Bevan Gareth
Bhachu Gurinder
Bills Laura
Bird Danielle
Bizec Anya
Black Marie-Louise
Blackman Janet
Blake Valery
Blok Angelika
Blundell Ashleigh
Bochel Andrew
Bolter William
Boston Grace
Bradley Bridget
Bradley Rachael
Branch David
Breaden Laura
Breen Linda
Breen Alana
Brenton Gabriel
Bridges Kathy
Brinkley Aaron
Brooks Ryan
Brown Tanya
Brown Lloyd
Brown Rebecca
Bryant Tom
Buivyde Ineta
Bulgarelli Alexander
Bulmer Krystal
Bulpitt Christian
Bunce Mandy
Burnside Alexandra
Bycraft Michelle
Cable Jonathan
Cadd Sadie
Cai Yue
Cain-Jones Amy
Cann Oliver
Capper Oliver
Cardwell Louise
Carey Paul
Carman Ryan
Carr Linda

NEW MEMBERS

ANNUAL REPORT 2018

Carroll Lauren
Carruthers Wendy
Castle Jack
Cave Colette
Cazac Ana
Chalamaiahgari Palli Madhan
Chapman Amy
Charlton Daniel
Charnock Dale
Chin Jean
Christodoulou Constantinos
Clare Paul
Clark Hannah
Clarkson Daniel
Cleaveley Amy
Clibbens Charlotte
Coley Heather
Colin Pascal
Collin Stuart
Colliss Murray
Conn Rachel
Connor Jane
Cook Tony
Cousens Jasmine
Cracknell Juliet
Craig Leeanne
Cramp Charlotte
Crawford Ashleigh
Crawford John
Cross Jake
Cubitt Ceejay
Darvill Ryan
Dattani Chandni
Daudia Sandeep
Davidson Florence
Davidson Robert
Davie Jennifer
Davies Charlotte
Davies Michael
Davies Ross
Davies James
Degen William
Denby Marion
Desai Pavan
Dhillon Aninder
Dhillon Baljinder
Dickinson James
Dingli Jacob
Dragu Ana
Drake Lucy

Duff Robert
Dunand Maxime
Duncan Benjamin
Dunn Jessica
Dunn Robert
Eastwood Andrew
Edgley Nicholas
Elms Philippa
Elvidge Neil
Errington Geneta
Erwin Sharon
Etheridge John
Fanning Robyn
Farrow Stephanie
Fattah Hyder
Fekete Jozsef
Ferguson Victoria
Ferrao Annabel
Fichant Florence
Filipovic Natalie
Finch Hannah
Findley Kendelle
Finocchiaro Alessia
Ford Sam
Forde Rebecca
Fox Joshua
Freema Holly
Fretwell Claire
Frost Ian
Gallagher-Kennett Georgina
Garbiak Christopher
Gentry-Cooper Alison
Ghansah Antonio
Gibson-Long Charles
Giffard-Edwards Lisa
Gilchrist Chelsea
Gill Shaminder
Glassey Henry
Glover Karen
Jenkinson Luke
Jewit Elliot
Jhite Samia
Johnson Neil
Jones Karen
Jones Alexander
Jones Amy
Jones Thomas
Jones Liam
Jones Harriet
Kadri Fahad

NEW MEMBERS

ANNUAL REPORT 2018

Kadri Shoeb
Kang Li
Kara Ankita
Kareti Pavan Kumar
Kasem Hannah
Kausar Safina
Kawamura Kazuko
Kendall Kimberley
Kennedy-Smith Gillian
Key Marie
Khan Khurram
Khatri Mitun
Kilby James
Kiliyankottarath Thanzeelu
Kim Samuel
King Harry
Klingenspor Harry
Knazevs Vjaceslavs
Knox Justin
Korny Jack
Krishnamurthy Nagendra
Kumar Ranjith
Lai Chin
Laird Amanda
Lally Anna
Lambe Kieran
Lane Caroline
Langford Helen
Langtree Heather
Laughlin Laura
Lavery Matthew
Lawrence Samantha
Leclerc Patrice
McClurg Ryan
McConnon Abbey
McGeown Gerald
McGraffin Amy
McIlroy Ruairdhri
McIlroy Rebecca
McIntosh Victoria
McKillion Joseph
McLaughlin Aaron
McManus Bridget
McNeill James
McPherson Kirsty
McToal Shauna
Mejsnarova Alexandra
Melnyczuk Sam
Metcalfe Andrew
Mills Orla

Milmine George
Milroy Jenna
Mohammed Afshana
Montagnon-Jones Valery
Moore Catherine
Moossa Shabbir
Morgan-Townley Charlotte
Morjaria Nandini
Morris Katie
Morris Ffion
Mottershaw Joseph
Moyeen Jannat
Murray John
Murray Katie
Mwamuka Terance
Mykhaylenko Tamara
Nair Siobhan
Naker Jaynish
Nandhe Navnit
Nazareth Jade
Neal Alla
Neale Faye
Negentsova Diana
Negus Shani
Nelloru Subramanyam
Newnes Paul
Nicholson Shannon
Nicolini Raimondo
Nisbet Christopher
Noble Kelly
Noordally Cateeya
Nutt Mathew
Olariu Dinu
Oldfield Matthew
Olliff Lisa
Onisoru Andreea
Ono Keiko
Ord Callum
Outram Jemma
Packer Ben
Paget Liam
Palmer Samuel
Palmer James
Pan Yingying
Pannu Ronnie
Patel Niranjana
Patel Kinnery
Patel Bhavini
Paul Richard
Pearce Christian

NEW MEMBERS

ANNUAL REPORT 2018

Petrova Petya
Petrusev Christopher
Phillips Joseph
Pike Chris
Pitt Dominic
Platt Olivia
Pleasance Harrison
Pledger Rachel
Pollard Stephen
Ponton Scott
Prior Bronwyn
Puffett Saira
Purchase George
Puttock Jemma
Quay Xiao Yun
Radaviciute Beata
Radu Daniela
Raghuraman Jayalakshmi
Ragunathan Reshan
Rahman Mohammad Oliur
Rainford Joshua
Raj Gohan
Ramus Allison
Ranahan Alexander
Ransome James
Ratcliffe Peter
Rawlins Richard
Reed Daniel
Reid Rupert
Reilly Suzie
Richards Judy
Riddick Kimberley
Rideal Christopher
Rimmer Aaron
Thomas Chelsi
Thompson Caroline
Thompson La'Tisha
Thompson Annette
Thompson Ross
Thomson James
Thorburn Katherine
Thrupp Joanne
Tickle Leanne
Tilburn Karrie
Tinsley Matthew
Todd Leanne
Tognollo Francesca
Tom Sona
Tomic Gordana
Tomy Sruthi
Toor Amandeep
Tooze Lewis
Towne Clare
Towse Karen
Travers Michael
Trevallion Katie
Turner Corbyn
Turner Madeleine
Tuz Catherine
Tweed Olivia
Uchida Satomi
Udroiu Maria
van der Merwe Liezl
Van Eyken Robert
Vekaria Val
Venkataram Anupama
Venugopalaiah Srividhya
Verberckmoes Kim
Vinni Elina
Vuong Andrew
Walker David
Walter Jade
Wanstall Rebecca
Ward Linda
Ward Ashleigh
Ward Douglas
Ware Christopher
Watson Grace
Watt Euan
Watts Sunir
Webb Jack
Webber Laura
Whitby Cherry
Wilkey Debra
Williams Leona
Williams Michael
Williams Helen
Williams Emily
Willis Kerrie
Wills Christopher
Wilson Benjamin
Wood Philip
Wood Laura
Woolcock Angeleta
Woolley Claire
Worthington Christopher
Yadav Ajay
Yi Sarah
Yip Jade
Yule Suzanne
Zawisla Magdalena
Zhang Ziyu

NOTICE OF ANNUAL GENERAL MEETING

ANNUAL REPORT 2018

Notice is hereby given that the twenty-ninth Annual General Meeting of the Association of Taxation Technicians will be held at 30 Monck Street, London SW1P 2AP on Thursday 4 July 2019 at 1400.

Ordinary Business

1. To receive and adopt the Report for Council for 2018.
2. To receive and adopt the audited Financial Statements of the Association for the year ended 31 December 2018.
3. To re-elect as Members of Council Helen Brookson and Simon Groom who retire under Regulation 38.
4. To re-elect as Members of Council Jeremy Coker, Tracy Easman, Julian Millinchamp and Hayley Perkin who retire under Regulation 43.
5. To appoint Buzzacott LLP as auditor of the Association.

By order of the Council

Jane E C Ashton
Executive Director
30 Monck Street
London SW1P 2AP

4 April 2019

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.

(b) A person who has been appointed a proxy may nevertheless attend the meeting and vote, in which case any votes cast by the proxy will be superseded.