

Registration number: 04210063

The Taxation Disciplinary Board Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

The Taxation Disciplinary Board Limited

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The Taxation Disciplinary Board Limited

Company Information

Directors

C Wilby

D J Whiting

E Fullerton-Rome

B A Palmer

S J Humble

Company secretary

P A Douglas

Registered office

8 High Street

Heathfield

East Sussex

TN21 8LS

Auditors

Manningtons

8 High Street

Heathfield

East Sussex

TN21 8LS

The Taxation Disciplinary Board Limited

Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report for the year ended 31 December 2019. This forms part of the company's annual accounts and reports.

Principal activity

The principal activity of the company is that of the administration of The Taxation Disciplinary Scheme.

Fair review of the business

This is as set out in the Profit and Loss account, the Directors' Report and the Balance Sheet.

Principal financial risks and uncertainties

There are no derivatives or loan finance, there are no cashflow, going concern or other financial risks. Six months funding is retained in the bank accounts.

Approved by the Board on 25 August 2020 and signed on its behalf by:

.....
S J Humble
Chair

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

The directors who held office during the year were as follows:

D G Hudson (Resigned 31 December 2019)

C Wilby

D J Whiting

E Fullerton-Rome

B A Palmer

The following director was appointed after the year end:

S J Humble (appointed 17 February 2020)

Objects of the Company and principal activities

The Taxation Disciplinary Board Limited ("TDB" or "The Company") was incorporated on 2 May 2001 as a company limited by guarantee, with the primary objective of operating the Taxation Disciplinary Scheme ("the Scheme") established by the participating bodies: the Chartered Institute of Taxation ("the Institute" or "CIOT") and the Association of Taxation Technicians ("the Association" or "ATT"). The Company's governing documents are its Memorandum and Articles of Association and there is provision within its statutes to act for other tax bodies that wish to adopt similar schemes. Each participating body agrees to contribute £1 in the event of the Company's insolvency. Currently the Institute and the Association are equal members of the Company.

The Scheme, which deals with complaints against members or students of the participating bodies, is administered by TDB on an independent and impartial basis. Its objectives are to conduct the investigative, disciplinary and appeals process in an efficient and effective manner and to ensure that the standards of professional conduct set by the participating bodies for their members are followed; that the reputation of those bodies and their members is maintained; and that the public may have confidence in the standard of service provided to them.

Governance

The Scheme is administered by the Board of Directors, which has a wide range of experience in the legal, accountancy and tax professions. Each of the member bodies appoints a director but the majority of the Directors of the Company are appointed following a process of advertising and open competition.

The Directors meet regularly to deal with executive business in accordance with the policies and priorities of the Company. The Directors have identified the principal risk areas, and the process of risk assessment is an integral part of the management function.

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

The Disciplinary Process

Under the Scheme, all the procedural arrangements are set out in Regulations, which the Board has the power to amend on its own authority. The Regulations which were operative during 2019 were those made by the Board in 2014 and updated in 2016. The Scheme itself, which is confined to principles, jurisdiction and powers, can be amended only with the approval of the participant bodies. The TDB's jurisdiction covers inadequate professional service and conduct unbecoming a professional, in addition to breaches of the participants' Professional Rules and Practice Guidelines. In order to comply with current anti-money laundering regulations, the TDB is able to discipline firms, as well as individual members, students and associates of the participating bodies. Under the Scheme, a Disciplinary Tribunal and Investigation Committee Panel is appointed by the Board, with members selected as a result of advertising and open competition. To ensure a balanced, independent process, lay persons participate in all stages of the disciplinary process, together with members of the Institute and Association and individuals with a legal qualification. Lay (which includes legally qualified) members form a majority at meetings of the Investigation Committee, the Disciplinary and the Appeal Tribunals.

Under the Board's Regulations, all complaints are examined by a Reviewer (currently the Executive Director) to ensure that they come within the terms of the Scheme. The Reviewer may reject trivial, vexatious or out-of-time complaints, subject to a right of appeal to an independent Assessor. Minor complaints which do not appear to involve misconduct may be referred to the participants for conciliation. The Reviewer also has powers to impose a fixed penalty for a breach of the participants' administrative requirements, subject to a right of appeal to a Disciplinary Tribunal. In all other cases, the Reviewer will correspond with both the complainant and the member, with a view to submitting a report to the Investigation Committee ("IC").

The IC, which meets at regular intervals, consists of five members selected from the Investigation and Disciplinary Panel. Its role is to examine the case papers in order to determine whether or not there is a prima facie case of professional misconduct, conduct unbecoming or inadequate professional service against the member. If it so determines, the IC may decide that the complaint is too minor or that there is insufficient evidence to warrant referring the matter to a Disciplinary Tribunal. In such cases, the IC has the option of ordering the case to rest on file for three years, during which time it may be revisited if another complaint is made against the member. All other complaints in which the IC finds a prima facie case must be referred to a Disciplinary Tribunal. There is no power to offer the member a consent order; instead, all significant cases will go to a Disciplinary Tribunal. In cases where the IC decides that no further action is warranted, the complainant has a right of appeal to an Investigatory Assessor.

Members of the Board of Directors do not participate in meetings of the Investigation Committee or the Disciplinary or Appeal Tribunal.

Where a case is referred to a Disciplinary Tribunal, a presenter (usually a barrister) is appointed to prepare the charges against the member and to present the case on behalf of the TDB. The Disciplinary Tribunal consists of three members selected from the membership of the Investigation and Disciplinary Panel. It is chaired by a legally qualified chairman and includes another lay member and a member of one of the participating bodies. The Tribunal conducts a formal hearing, in the light of which it must make a finding and, in proven cases, impose an appropriate sanction, which can range from a censure through to exclusion from membership. In the event of a finding of misconduct, conduct unbecoming or inadequate professional service, costs are normally awarded against the member, and the Tribunal's findings are published. There is also power to award compensation for quantifiable losses incurred by the complainant in cases where inadequate professional service is proved. The TDB has issued and published on its website (www.tax-board.org.uk) guidance on a range of topics designed to assist panel members, including Indicative Sanctions Guidance.

Both the TDB and the member have a right of appeal against an order made by the Disciplinary Tribunal, but any application for an appeal hearing will first be examined by a Disciplinary Assessor in order to ensure that it meets the grounds specified in the Regulations. If the appeal is allowed to go ahead, it will be heard by an Appeal Tribunal consisting of three members drawn from the Disciplinary Panel who have had no previous involvement with the case.

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

Membership of the TDB Disciplinary Tribunal and Investigation Committee Panel during the year was:

B Anstice	D Hards
J Stafford	P Cadman
M Ruffell	T Payne
A Gell	E Herlihy
L Jacobs	P Griffith
I Luder	M Kaltz
M Uddin	L Lee
M Obi	J Page
J Wilkins	

The Directors thank all the members of the Panel for their willingness to perform the roles assigned to them. They also wish to record their thanks to the Board's two part-time personnel for their invaluable assistance during the year: Peter Douglas (Executive Director) and Nigel Bremner (Clerk to the Disciplinary Tribunal).

Review of the year

During the year, 37 new complaints were received about members of the participating bodies (compared with 37 in the previous year). These included allegations of incompetence or lack of care, inadequate professional service, failure to respond promptly to correspondence and adverse findings at disciplinary hearings of other professional bodies. The participants also referred 35 CIOT/ATT members (2018 -160) for failing to register their Anti Money Laundering (AML) arrangements in accordance with CIOT/ATT administrative requirements, rules and procedures. These are dealt with under the Taxation Disciplinary Scheme Regulations 2014 Regulation 3.11.

Also, during the year the monies collected from members in respect of costs awarded by the Disciplinary Tribunal against members, and administrative penalties re late AML submissions amounted to £56,654. However, materially increased costs produced a deficit of £20,602, against a budgeted deficit of £30,910. Monies awarded to the TDB by Disciplinary Tribunals by way of costs and fines, and monies ordered to be paid as compensation to complainants, are only accounted for when received and are not shown as debtors. The TDB seeks payment of all monies due including by collection consequent on Court action where appropriate. The Courts have always enforced such Orders of TDB Disciplinary Tribunals.

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

	Number of cases 2019	Number of cases 2018
Complaints received by Reviewer		
Brought forward from previous year	16	15
New cases in year	37	37
	53	52
Cases withdrawn or not pursued by complainant	12	20
Cases determined by Reviewer (trivial, vexatious or outside TDB jurisdiction)	6	7
Cases where fixed penalty imposed	1	1
Cases referred to Investigation Committee	15	8
Cases referred directly by Reviewer for presentation to Disciplinary Tribunal	-	-
Cases carried forward to next year	19	16
	53	52
Investigation Committee		
No prima facie case	1	-
Prima facie case but no action taken	-	-
Case ordered to rest on file	-	-
Referred for presentation to the Disciplinary Tribunal	14	8
Cases adjourned pending receipt of more information	-	-
	15	8
Anti-money laundering requirements References made by CIOT/ATT in relation to failure to register AML arrangements and dealt with under fixed penalty procedures	35	160

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

	2019	2018
Disciplinary Tribunal		
Cases awaiting hearing at end of previous year	4	1
New cases referred by the Investigation Committee	14	8
New cases referred directly by the Reviewer		-
	<hr/> 18	<hr/> 9
Case dismissed or no further action	-	1
Sanction imposed	8	4
Cases awaiting hearing and part heard at the year end	10	4
	<hr/> 18	<hr/> 9
Sanctions imposed by Disciplinary Tribunals		
Warning	1	-
Censure	1	1
Censure & fine or compensation	-	1
Expulsion & order to pay compensation	-	1
Suspension		-
Expulsion	6	1
	<hr/> 8	<hr/> 4

Appeal Tribunal

One Appeal Tribunal was held in 2019 (2018-Nil) with the Appeal dismissed.

Costs of hearings

In accordance with the Board's policy, all those against whom the charges were found to be proved were ordered to pay the costs incurred by the TDB in pursuing the case. Whilst the Board recovered a significant amount in costs and administrative penalties during 2018 and 2019, a number of defendants continue to ignore the orders made by the Disciplinary Tribunal, with the result that the Board had to spend time and resources in applying for court orders for the sums due. Whilst the Board will treat sympathetically genuine cases of ill-health or misfortune, it is a matter of concern that few defendants raise with the Disciplinary Tribunal their inability to pay the costs due. The Board updated its guidance to defendants to encourage them to inform the Board as soon as possible of such matters to ensure that they are considered in determining the outcome of their case. Where the Board has applied for a court order for the resulting debt, this has invariably been granted by the courts. In a few cases where the member has failed to comply with the court order, the Board has obtained a charging order on the member's property, so that the debt becomes payable once the property is sold.

The Taxation Disciplinary Board Limited

Directors' Report for the Year Ended 31 December 2019

Other developments

The Chair, Des Hudson, resigned with effect from 31 December 2019. After a competitive process, Susan Humble was appointed Chair by the sponsors with effect from 17 February 2020.

On 9 December 2019, a Memorandum of Understanding (MOU) between the Taxation Disciplinary Board and the two sponsors, The Chartered Institute of Taxation and the Association of Taxation Technicians, was signed. The MOU sets out the expectations and undertakings of all parties and their collective GDPR compliant information sharing arrangements. It sets an explicit obligation on the TDB to apply its procedures and policies to every case, requires the TDB to consistently meet expected performance standards and requires regular and timely reporting by the TDB of its performance.

The OPBAS regulatory oversight of CIOT/ATT money laundering responsibilities has also occasioned the TDB to instigate a consultation in respect of the sanctions guidance currently in force, with consultation responses due by 31 March 2020.

Taxation

HMRC has confirmed that, on the basis of its current financial arrangements, the TDB would not be liable for Corporation Tax.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

A resolution for the reappointment of Manningtons Chartered Accountants as auditors of the Company has been proposed and has been approved at the Annual General Meeting on 30 June 2020.

Approved by the Board on 25 August 2020 and signed on its behalf by:

.....
S J Humble
Chair

The Taxation Disciplinary Board Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

The Taxation Disciplinary Board Limited

Independent Auditor's Report to the Members of The Taxation Disciplinary Board Limited

Opinion

We have audited the financial statements of The Taxation Disciplinary Board Limited (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account and Statement of Retained Earnings, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. 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 company's affairs as at 31 December 2019 and of its deficit 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 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

The Taxation Disciplinary Board Limited

Independent Auditor's Report to the Members of The Taxation Disciplinary Board Limited

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 9], the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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 misstatement, 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 misstatement when it exists. Misstatements 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Taxation Disciplinary Board Limited

Independent Auditor's Report to the Members of The Taxation Disciplinary Board Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the 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 company's members those matters we are required to state 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
A.E.J. Staples (Senior Statutory Auditor)
For and on behalf of Manningtons, Statutory Auditor

8 High Street
Heathfield
East Sussex
TN21 8LS

25 August 2020

The Taxation Disciplinary Board Limited

Profit and Loss Account and Statement of Retained Earnings for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover	3	200,794	181,527
Cost of sales		<u>(43,131)</u>	<u>(25,564)</u>
Gross surplus		157,663	155,963
Administrative expenses		<u>(178,542)</u>	<u>(134,243)</u>
Operating (deficit)/surplus		(20,879)	21,720
Other interest receivable and similar income	4	<u>277</u>	<u>227</u>
		<u>277</u>	<u>227</u>
(Deficit)/surplus before tax		<u>(20,602)</u>	<u>21,947</u>
(Deficit)/surplus		(20,602)	21,947
Retained earnings brought forward		<u>20,602</u>	<u>(21,947)</u>
Retained earnings carried forward		<u>-</u>	<u>-</u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The Taxation Disciplinary Board Limited

(Registration number: 04210063)

Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	8	9,815	-
Cash at bank and in hand		102,845	134,635
		<hr/>	<hr/>
		112,660	134,635
Creditors: Amounts falling due within one year			
	10	(112,660)	(134,635)
		<hr/>	<hr/>
Net assets/(liabilities)		-	-
Capital and reserves			
Shareholders' funds/(deficit)		-	-
		<hr/>	<hr/>

Approved and authorised by the Board on 25 August 2020 and signed on its behalf by:

.....
S J Humble
Chair

The Taxation Disciplinary Board Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Profit and loss account £	Total £
At 1 January 2019	20,602	20,602
Deficit for the year	(20,602)	(20,602)
Allocated to contributors	(20,602)	(20,602)
At 31 December 2019	-	-
	Profit and loss account £	Total £
At 1 January 2018	(21,947)	(21,947)
Surplus for the year	21,947	21,947
Allocated to contributors	21,947	21,947
At 31 December 2018	-	-

The notes on pages 17 to 20 form an integral part of these financial statements.

The Taxation Disciplinary Board Limited

Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
(Deficit)/surplus for the year		(20,602)	21,947
Adjustments to cash flows from non-cash items			
Finance income	4	(277)	(227)
		(20,879)	21,720
Working capital adjustments			
(Increase)/decrease in trade debtors	8	(9,815)	3,817
(Decrease)/increase in trade creditors	10	(21,975)	30,696
		(52,669)	56,233
Cash flows from investing activities			
Interest received	4	277	227
Application of funds			
Allocated to contributors		20,602	(21,947)
		(31,790)	34,513
Net (decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at 1 January		134,635	100,122
		102,845	134,635
Cash and cash equivalents at 31 December			

The notes on pages 17 to 20 form an integral part of these financial statements.

The Taxation Disciplinary Board Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The Company is limited by guarantee; the guarantors are CIOT and ATT. The Board has put in place sufficient mitigating controls to ensure that the company retains ethical independence from the guarantors and can perform its function without prejudice. The company is incorporated in England and Wales.

The address of its registered office is:

8 High Street
Heathfield
East Sussex
TN21 8LS
United Kingdom

The principal place of business is:

Po Box 224
Rushlake Green
Heathfield
East Sussex
TN21 1DQ

These financial statements were authorised for issue by the Board on 25 August 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

The Scheme is financed mainly by the Chartered Institute of Taxation and the Association of Taxation Technicians. The Disciplinary Tribunal and Investigation Committee Panel costs are shared between the two bodies in proportion to the numbers of cases dealt with from each body. All other costs are shared equally.

The Disciplinary Tribunal is empowered to make orders for the payment of costs, fines and compensation to complainants. In addition, the Board is empowered to make orders for the payment of Fixed Penalty charges for breaches of the participants' administrative requirements. Credit is taken on receipt, sums outstanding are not included in the accounts.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

The Taxation Disciplinary Board Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised at the transaction price.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2019	2018
	£	£
Contributions, fines collected and costs awarded	200,794	181,527

The analysis of the company's turnover for the year by market is as follows:

	2019	2018
	£	£
UK	200,794	181,527

4 Other interest receivable and similar income

	2019	2018
	£	£
Interest income on bank deposits	277	227

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019	2018
	£	£
Wages and salaries	92,505	78,170
Social security costs	4,878	2,774
	97,383	80,944

The total employee pay and benefits of the key management personnel of the entity were as follows:

54,555	57,650
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The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2019	2018
	No.	No.
Administration and support	6	6

The Taxation Disciplinary Board Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Directors' remuneration

	2019	2018
	£	£
Highest Paid Director	9,281	5,397

The directors' remuneration for the year was as follows:

Remuneration	21,895	18,118
--------------	--------	--------

7 Auditors' remuneration

	2019	2018
	£	£
Audit of the financial statements	2,172	2,280

8 Debtors

	2019	2018
	£	£
Other debtors	9,065	-
Prepayments	750	-
Total current trade and other debtors	9,815	-

9 Cash and cash equivalents

	2019	2018
	£	£
Cash at bank	38,190	70,258
Short-term deposits	64,655	64,377
	102,845	134,635

10 Creditors

	2019	2018
	£	£
Due within one year		
Other payables	90,265	116,097
Accruals	22,395	18,538
	112,660	134,635

The Taxation Disciplinary Board Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

11 Related Party Transactions

In the current year and in the prior year, the spouse of the Company Secretary, who is a member of key management, was commissioned to undertake work relating to the referrals of CIOT/ATT members for failing to register their Anti Money Laundering (AML) arrangements in accordance with CIOT/ATT administrative requirements, rules and procedures, as detailed in the Directors' Report. She received £13,225 for this work in the current year (£2,120 in 2018). No work has been commissioned in 2020 to date, and the Board anticipates no additional work of this nature to be commissioned in future.