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Chartered Institute of Taxation.

Annual Report 2025

About us

Our vision

We will remain the leading Institute for taxation professionals in the United Kingdom, serving the public interest through the pursuit of excellence and with integrity.

Our mission

The CIOT is the leading professional body in the UK for advisers dealing with all aspects of taxation. As a not-for-profit organisation our primary purpose is to promote education in taxation with a key aim of achieving a more efficient and less complex tax system for all.

Our purpose

The advancement of public education in taxation.

Our objects

The charitable objects of the Institute, as set out in our Royal Charter, are:

1. Advance public education in and the promotion of the study of the administration and practice of taxation and the principles of economic and political science in relation to taxation.

2 (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.

Our activities

Maintaining an educational and ethical framework of the highest standard, aiming to produce tax advisers of the best quality for the general public – Chartered Tax Advisers (CTAs).

- Working for greater public understanding of tax matters, including through:
  - Promoting tax discussion and debate.
  - Publishing and distributing information on tax matters.
- Setting ongoing educational and ethical practice requirements for tax advisers and reviewing compliance with those requirements.
- Supervising members for compliance with anti-money laundering regulations.
- Being available for consultation by legislators, regulators and administrators of tax law and others, and by producing high quality representations and responses.
- Understanding the needs of taxpayers and making recommendations to improve and simplify tax law and administration for the benefit of all sectors of society.

Our objectives for the tax system

The CIOT works for a better, more efficient tax system for all affected by it; taxpayers, their advisers and the authorities.

Our objectives for the tax system include:

- Greater simplicity and clarity, so people can understand how much tax they should be paying and why.
- Greater certainty, so business and individuals can plan ahead with confidence.
- A legislative process which translates policy intentions into statute accurately and effectively, without unintended consequences.
- A fair balance between the powers of tax collectors and the rights of taxpayers (both represented and unrepresented).
- Responsive and competent tax administration, with a minimum of bureaucracy.

Our members

Membership of the CIOT is by examination, nationally recognised as the gold standard of UK taxation education.

Our members are at the heart of the CIOT and we are proud to celebrate a diverse membership and volunteer community. We work with tax institutes across the world in their domestic territories to grow the CTA family through the licensing of our Charter. We support more than 20,500 members and over 11,000 students (CTA, ATT-CTA and ADIT) throughout their tax careers, providing assistance through our London based head office, our regional network operating across the UK, and partnering with the growing CTA family worldwide.

The CIOT is a registered charity in England and Wales, number 1037771 and a regulatory body for the purposes of anti-money laundering supervision of tax practitioners.

Contents

The Members of Council (the Trustees) present their Annual Report and audited Financial Statements of the Chartered Institute of Taxation for the year ended 31 December 2025.

The Financial Statements comply with the Charities Act 2011, the governing documents and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2019).

President and Chief Executive's report

2025 was another year of progress for the Institute, as we pressed ahead with our plans to modernise the CTA qualification, contributed to the development of tax legislation, and supported our members.

A growing membership

We continue to enjoy the benefits of a healthy and growing membership, which had risen to 20,564 by the end of 2025. Over the course of the year, we welcomed 754 new members, and having passed the 20,000-member milestone the previous year, it has been encouraging to see our membership flourish.

A highlight of the year are our admission ceremonies, where we have the chance to welcome our new members and prize winners, together with their friends and family, to celebrate their accomplishments. As they embark on their tax careers as CTAs, we hope they take inspiration and encouragement from those members who joined our ceremonies at Drapers' Hall in London to celebrate their 50th and 60th membership anniversaries.

Membership of the CIOT is more than a symbol of professional pride. It is a pathway to learning, growing, and networking with your peers. Our branch network, and the more than 200 volunteers who sustain it, are at the frontline of this work. They helped to deliver more than 150 in-person and online events, covering everything from Pillar Two and professional standards to pub quizzes and pétanque. Thank you to everyone who has contributed to these events, especially our committees, and made them a success.

We are always looking at ways to improve our offer to members. One new example is our 'Returners 2 Work' initiative, which was set up to support those returning to the workplace after a career break. Since its launch in April, it has helped 45 members through a combination of online and in-person workshops. The feedback has been overwhelmingly positive, with participants saying it has boosted their personal and professional confidence.

A qualification fit for the future

It was another busy year for our education team, with more than 4,200 students are enrolled in the CTA qualification. This includes students who have registered directly with us or who are studying via our joint programmes with ICAEW and ICAS. A further 3,073 are taking part through the Tax Pathway, the joint ATT-CTA route to qualification.

A significant development in 2025 was our review of the CTA qualification. It is a challenge to attempt to 'future-proof' almost anything in an age of fast-moving technological change, however our ambition is to ensure that our qualifications remain relevant in an ever-evolving world.

Students, members and employers from a wide range of organisations and roles engaged with us through a public consultation process in the spring to help shape the revised CTA course structure that will go live from September 2027. We have also reviewed the workings of our joint programmes with ICAEW and ICAS to ensure they align with the new CTA course structure and are consistent with their respective accountancy qualification. You can read more about the review and the new course structure in our special feature on pages 8 and 9.

Our Advanced Diploma in International Taxation (ADIT) qualification continues to attract healthy worldwide interest. More than 900 students registered for ADIT in the last year, meaning we now have 3,750 students in 111 countries and territories pursuing the qualification. We have built on ADIT's success by launching a new ADIT 'Pillar Two' qualification, a standalone award that, from spring 2026, will help equip students with a grounding in the key concepts behind this complex global tax initiative.

Our newest qualification, the Diploma in Tax Technology (DITT), continues to evolve, and now includes a short, 8-hour CPD course in AI for Tax. 452 candidates have now completed the DITT qualification since we launched it in November 2022.

The work of our technical teams

Following our joint report on service levels with ICAEW in late-2024, we hosted the 'HMRC at 20' conference. We were delighted to welcome then Exchequer Secretary James Murray to give the keynote speech in which we announced a range of measures, including a recruitment drive for 5,000 new HMRC staff, that will help to address many of the concerns raised in our report. We will continue to press for further improvements and will run our service levels research again to benchmark changes in HMRC performance levels.

This conference was one of several that we held in 2025. This included our online Spring Conference and our in-person Autumn Residential Conference at Queens' College, Cambridge. The latter drew a record attendance, suggesting the tax profession has bounced back from the Covid-19 years.

Another highlight of 2025 was our first Tax Technology Conference where our keynote speaker, the polymath Michael Minelli, offered insights on the limitations of AI in providing accurate tax advice. Our technical team and volunteers also took part in HMRC's Stakeholder Conference later in the year, where similar themes were discussed.

We held debates on the pros and cons of a 'wealth tax' at our Labour and Conservative party conference debates, held in partnership with the Centre for the Analysis of Taxation (CenTax). Later in the year, we held a lively debate on the reform of property taxation with the Institute for Fiscal Studies (IFS). You can read more about our debates on pages 10 and 11.

As an apolitical organisation, our expertise is shared across the political spectrum. During the year, we met with more than 70 politicians, and our contributions were cited more than 70 times in parliamentary debate. Our detailed scrutiny of the Finance Bill continues to be well-received by MPs, and we featured in the mainstream press more than 800 times. Our ability to contribute to the development of tax legislation, as well as being at the centre of the wider public debate on tax, should be taken as a real source of pride. With the Scottish and Welsh elections on the horizon, we will be monitoring what their results may mean for devolved tax policy.

The technical team shared their knowledge with parliamentary committees across the UK, including the House of Lords' Finance Bill sub-committee, where we contributed to sessions on inheritance tax and tax avoidance. The latter focused on the proposal to introduce a criminal offence of failing to notify a scheme under the disclosure of tax avoidance schemes rules and helped persuade the government to drop its proposal.

A big area of focus for our technical team and Low Incomes Tax Reform Group (LITRG) has been Making Tax Digital (MTD) for Income Tax. We have been persistent in arguing it rollout should include a 'soft landing' for penalties as taxpayers adjust to the new regime. It was therefore pleasing to see this adopted at the Autumn Budget.

LITRG had another successful year speaking up for the interests of those least able to afford professional tax advice. This included supporting HMRC in the development of a guidance tool to help taxpayers impacted by the new 'clawback' scheme for some winter fuel payment recipients.

The team have also been expanding their reach to new audiences. As well as seeing a big uptick in traditional media coverage, the team launched a TikTok channel that, at the time of writing, has over 350 videos with more than 1 million views.

Lastly, all of us were thrilled when Meredith McCammond was awarded the British Empire Medal in the King's Birthday Honours 2025 for services to vulnerable groups. Meri is synonymous with some of LITRG's most important work, notably on umbrella company and agency workers. The award was testament to her hard work and dedication.

Standards and professionalism

The previous government's plans for full regulation of tax advisers will now not go ahead. In its place will be a formal registration process for those who wish to interact with HMRC. As stakeholders, we are disappointed by the lack of clarity in the primary legislation. We hope we can work with HMRC on the design of its new registration system and associated guidance.

The government has pressed ahead with plans to move to a single supervisor for professional body anti-money laundering (AML), the Financial Conduct Authority (FCA). This is the long-awaited outcome of a 2023 consultation on reforming AML supervision and will see HMRC and professional bodies like us surrender our supervision of the sector at some future date.

As we said at the time, while we understand the logic of having a single supervisor, it is not our preferred model, which would have been strengthened supervision by professional bodies, overseen by the existing independent body, OPBAS. We will do all we can to support the FCA and our supervised firms with a smooth transition that maintains effective, proportionate AML supervision for our members.

People and places

The commitment and professionalism of our staff underpin the successes in this report. We are proud of them and thank them for their hard work throughout 2025. We are really pleased that the results of our annual employee survey showed that our team feel valued and respected at work. This was one of the reasons why we were recognised for the third year running as an outstanding workplace by People Insight, the global employee consultancy who carried out the survey on our behalf.

When we moved to Monck Street in 2019, most of our activity was office based. But like many organisations, the pandemic changed the way we work, and our office became a much quieter place. A breakpoint in our lease gave us the chance to renew the terms of our agreement with our landlord. After listening to feedback from staff, volunteers and others, we chose to remain at Monck Street, albeit, with a smaller footprint.

Keeping a reduced space is a better use of the charity's funds, while respecting the fact that many people still value the chance to work from and hold meetings at the office. Late last year we returned the main open plan office to the landlord and converted the remaining space into flexible workspaces, featuring meeting pods and improved audiovisual services.

Looking back on the year gives us a chance to thank those members of Council who retired from Council during the year or who will do so at the AGM. Gary Ashford, President between 2023 and 2024 and Peter Rayney, President between 2020 and 2022 (who had to contend with the challenges of Covid-19 and had an 18-month Presidency) have both been huge contributors across different areas of the Institute's work for many years. We are also very grateful to Ashley Makoni for her important contributions. We also thank Olayinka Iwu, who stepped down as the independent chair of our Equality, Diversity and Inclusion Committee after four years in the role. We will welcome Sharon Spice to the role from the beginning of 2026. We are also pleased to welcome Anna Corbett to the role of Lay Representative. Anna succeeds Krzysztof Mikata-Pralat, who stepped down in the autumn.

Thanks

Once again, it has been a rewarding year for our Institute, and our thanks must go to our members, students, volunteers, staff and partners for their continued support for our work. We hope you can look back on the past year with a sense of pride, and we look forward to working with you all in the year ahead.

Nichola Ross Martin
CIOT President (2025-26)

Helen Whiteman
CIOT Chief Executive

Our Impact in 2025

Chartered Institute of Taxation.

29,846 in-person and online event registrations

200+ Branch committee members

Public voice

800+ media appearances

64 journalists engaged

71 parliamentary mentions

6 political parties engaged

Policy successes

- IHT allowances for APR/BPR made transferable for spouses following CIOT representations.
- Helped deliver increased protections for personal representatives managing IHT liabilities on pension interests.
- Identified an issue affecting housing supply chains and proposed a simplification the government is intending to consult on.
- Secured three new exemptions for workplace benefits-in-kind, specifically home-working equipment, eye tests and flu vaccinations.
- LITRG helped shape HMRC's umbrella company policy, securing greater protection for agency workers from April 2026.

20,564 members

4,226 CTA students

754 new members

92% of successful students join within 2 years

173 new DITT completers

850+ AML supervised firms

22 AML fines issued

33 AML inspections

The CTA of the future

In 2025, we completed a comprehensive review of the Chartered Tax Adviser (CTA) qualification with the aim of ensuring it remains relevant, rigorous and fit for the future.

The result is a revitalised qualification that embraces changes and trends in the tax profession and provides students with a flexible and accessible route to qualification.

Timeline for change

2023 We contacted key stakeholders to set out our plans for reviewing the CTA.

2024 A working group led by the Examinations Committee consulted with stakeholders to produce initial proposals endorsed by Council.

2025 A 12-week consultation saw 77 responses from a range of stakeholders, leading to the publication of a new qualification structure in December 2025.

2026 A new exam platform with enhanced features that will improve the exam experience will be introduced.

2027 The revised qualification framework takes effect from September 2027. Transitional arrangements will be made for students enrolling before that.

2028 The first sittings of examinations under the new structure will take place.

Key features

1. A staged qualification structure

The CTA will move to a three stage model, aligned to the Ofqual framework and retaining the Level 7 equivalent standard overall.

- **Foundation:** A broad introduction to UK tax for students with no prior experience.
- **Technical knowledge & skills:** Six technical modules. Students must sit five of these, including one compulsory module (income tax and national insurance). A new skills paper, Tax Landscape will also be introduced at this stage.
- **Advisory:** One advanced technical paper and a case study in a chosen specialism.

2. Breadth versus specialism

The qualification retains the requirement for students to have broad tax knowledge, with specialisation reserved for the final (Advisory) stage. New specialisms may be introduced in future, and CIOT is also looking at the option of post-CTA qualifications in specialist areas.

Chartered Tax Adviser

3. Modernised assessment

The updated CTA will introduce new assessment features:

- On demand assessment at foundation level.
- Flexible module sittings at the technical knowledge stage that can be sat individually, in groups, or all at once.
- Case-study based assessment for skills papers.
- Increased access to resources in exams, allowing students to consult legislation and HMRC guidance.

4. Professional skills and competencies

A new Professional Skills and Competencies Framework defines and benchmarks the skills expected of a CTA. It covers technical knowledge and other skills like research, analysis, communication, ethics, and technology.

You can read more about the CTA review at **www.tax.org.uk/ctareview**.

Promoting debate on tax

The Institute holds regular public debates, supporting our objective of creating well-informed tax policy. In 2025 we held a range of in-person and online debates with a number of different organisations.

HMRC at 20

In March, CIOT and ICAEW marked HMRC's 20th anniversary with a one-day conference focused on its past, its present, and its future.

Ministers and senior officials past and present joined academics, tax advisers and others to mark the milestone, with the morning's keynote speaker Lord (Gus) O'Donnell reflecting on the origins of the merger.

In the afternoon, Exchequer Secretary James Murray used his speech to delegates to launch a package of measures aimed at improving customer service, closing the tax gap and modernising HMRC. Some of these measures proposed by Murray reflected calls made by CIOT and ICAEW in our December 2024 report, Tackling HMRC's customer service challenge.

Two panel discussions later in the day focused on the creation of HMRC and its immediate aftermath, followed by a debate on the future of the tax authority. Contributors included Lord (Nick) Macpherson, O'Donnell's successor as Treasury permanent secretary, David Gauke, tax minister from 2010 until 2017, and Dame Meg Hillier, the current chair of the House of Commons Treasury Select Committee and former chair of the Public Accounts Committee.

The remainder of the day was devoted to four breakout sessions, led by expert facilitators, to consider different aspects of HMRC's work including tax policymaking and the digitalisation of the tax system.

Joint debates with IFS

This year, we held two joint debates with the Institute for Fiscal Studies (IFS).

The first was an online debate which took place in June. Chaired by IFS Director Helen Miller, our panel discussed the future of international tax reform following the return to office of Donald Trump as President of the United States of America. The panel considered whether the US, UK and others will be able to reach agreement on how to tax multinational businesses.

Speakers included Chenai Mukumba, the Executive Director of Tax Justice Network Africa, Paul Oosterhuis, Of Counsel with the American multinational law firm Skadden, Arps, Slate, Meagher & Flom, Tim Power, Director for Business and International Tax at HM Treasury, and Tim Sarson, Head of Tax Policy with KPMG UK.

Our November debate on the impact of tax reform on the housing market, was chaired by CIOT President Nichola Ross Martin.

This in-person event was held in central London and featured contributions from Stuart Adam of IFS, Caroline Fleet, Head of Real Estate at Crowe UK, Professor John Muellbauer of Nuffield College and the crossbench peer Lord Turnbull, the former Head of the Civil Service (2002-2005).

The panel agreed that Britain's property tax system is outdated and incoherent, but that reforming it would not be simple.

Labour Party conrerence, September 2025


CTA Address, July 2025

Chartered Tax Advisers' Address

Simon York, the former Director of HMRC's Fraud Investigation Service, delivered the 2025 Chartered Tax Advisers Address, which took place in July at RSA House in Central London.

York said that greater collaboration across government and the private sector, more effective use of data and intelligence, and a more aggressive focus on the enablers of tax evasion would help to maintain fairness and trust in the UK's tax system.

He added that the tax profession had been "a huge force for good" in the fight against tax evasion, and that bad actors needed to know their actions would have consequences.

The responses to the address came from Michelle Sloane, Partner at the international law firm RPC, and Mike Lewis, Director of the investigative think tank TaxWatch. Sloane said the UK's tax gap remained 'really significant' and argued HMRC could do more with the powers at its disposal, while Lewis lamented the UK's "historically low" levels of crikinal prosecutions and convictions.

Roundtable events

In May, CIOT's Scottish Technical Committee brought members in practice together for a discussion on the interactions between Scottish and UK tax policy and their implications for Scotland's attractiveness as a place to live and work. The event was chaired by Jim Robertson, Chair of CIOT's ADIT Academic Board.

In October, CIOT brought together stakeholders including business representatives, think-tanks, policy makers and tax professionals to consider issues related to small business tax compliance.

Chaired by CIOT's Director of Public Policy, Ellen Milner, participants from the business sector, policy-makers and tax professionals discussed topics such as the administrative burden faced by small firms, the need for better support, and the importance of simplifying tax processes.

CIOT at the party conferences

Wealth taxation took centre stage at our Labour and Conservative party conference events, where CIOT collaborated with the Centre for the Analysis of Taxation (CenTax) on two high-profile fringe debates. Both events were standing room only, underlining how far the issue had climbed the political agenda over the course of the year.

At Labour conference in Liverpool, our event featured contributions from barrister Emma Chamberlain, Lloyd Hatton MP, CenTax Director Arun Advani, and Gemma Tetlow, the Institute for Government's Chief Economist.

At our Conservative conference event in Manchester, insights came from CIOT Vice President John Barnett, CenTax Director Andy Summers, and former Treasury Minister now Treasury Select Committee member, John Glen MP.

Both events were chaired by CIOT President Nichola Ross Martin and they revealed not only striking contrasts in philosophy, but also common concerns around the need for simplicity, enforcement and public confidence - themes that have shaped the national conversation.

Lord O'Donnell, HMRC at 20, March 2025

Working for a better tax system

Report from the CIOT Technical committees

The CIOT's technical work is driven by our public benefit objectives, including seeking a simpler, more efficient tax system, and ensuring the needs and interests of the public are considered by policymakers.

In 2025, we made 140 written submissions (2024: 138) to HMRC, HM Treasury (HMT) and other government and parliamentary bodies across the UK, and took part in 311 meetings (2024: 299).

Our committee chairs and vice-chairs are listed on page 39. We are grateful to them and the other volunteers who give their time to lead or participate in our technical activities.

It was an exceptionally busy year for our committees as a result of extensive collaborative engagement with HMRC, HMT, and other stakeholders. We produced a large number of representations, in particular following the publication of draft legislation for the 2025/26 Finance Bill and following the publication of the Finance Bill itself. The impact of our committees' work was particularly evident in changes made to HMRC guidance, as well as in several Budget measures.

Technical Policy and Oversight Committee

Some of the CIOT's technical work is led by the Technical Policy and Oversight Committee (TPOC), either because it is of strategic importance or because it spans several committees. We engage on a number of these more strategic and cross-cutting issues with senior HMRC staff at the Representative Bodies Steering Group, the Virtual Communications Group, and the Guidance Strategy Forum. We are also represented on HMRC's Charter Stakeholder Group.

Service levels remained a key theme of our engagement with HMRC following last year's joint report with ICAEW, Tackling HMRC's customer service challenge. The commitment to launch the Personal Tax Query Resolution Service in HMRC's Transformation roadmap, and address some digital pain points is a welcome response to recommendations in the report. There has also been significant cross-team working on agent measures including registration, which will continue into 2026.

We met with ministers, members of HMRC's senior leadership team, HMRC working groups and HMT throughout the year to discuss customer service issues, including advocating for minimum standards and agent access for all new digital services. Although positive steps have been taken in response to the issues we have raised, member feedback indicates service standards remain below where they should be. This will remain a focus in 2026.

Private Client (UK)

We engaged policy makers, HMRC and others on changes to IHT for pensions, Agricultural Property Relief and Business Property Relief. This included consultation responses and proactive submissions, with Emma Chamberlain contributing to evidence sessions with the House of Lords Finance Bill Sub-Committee. Many of our concerns were recognised, with changes announced to the transfer of allowances between spouses/civil partners.

Ahead of the planned IHT reforms on pensions, we participated in multiple workshops and technical discussions with HMRC to help develop the legislation. We also contributed to the Lords' evidence sessions, with oral evidence from John Bunker and a written submission, both of which were referenced in the committee's final report.

Private Client (International)

We focused on the major reforms to the non-dom regime, analysing draft legislation and calling for greater clarity on technical questions, legislative anomalies and HMRC guidance. This led to amendments and corrections to the draft legislation.

Our response to HMRC's call for evidence on offshore anti-avoidance legislation led to a government commitment for a collaborative approach, involving experts from CIOT and other representative bodies working to substantially simplify this area of the law.

Corporate Taxes

Several announcements contained in the 2024 Corporate Tax Road Map were implemented in 2025, including the new advance tax clearance service announced at the Budget. Our consultation response noted that the service will offer clearance on a broad range of taxes material to investment projects, rather than focusing solely on Corporation Tax. We welcomed the proposals because tax certainty, alongside a stable and competitive tax regime, is highly valued by businesses. Now draft guidance has been published, the shape of the service is becoming clearer. However, its success will be dependent on how it is delivered by HMRC.

Research & Development (R&D) remained a focus of the committee's work. We continued our engagement with HMRC to address questions relating to the new merged scheme for R&D relief, working to ensure that taxpayers have accurate guidance to navigate the compliance requirements for claiming the relief.

Employment Taxes

We engaged with the Independent Loan Charge review, which published its findings in late-2025. We also participated in trialling HMRC's new 'Section 690 directions' process for PAYE, feeding back suggestions for improvements and liaising with HMRC over long-standing issues with expatriate employer compliance and UK taxable benefits-in-kind.

The introduction of mandatory payrolling of benefits-in-kind was an area of work throughout 2025, and we are part of a cross-body group discussing timings and guidance with HMRC. This work will continue over the next two years.

The Budget saw three of our recommendations for simplifying the administration of workplace benefits taken forward. We engaged with HMRC and HMT and welcome the deferral of Employee Car Ownership Scheme changes until 2030.

Indirect taxes

We responded to consultations on the tax treatment of remote gambling and the Soft Drinks Industry Levy. We contributed to CIOT's response to the electronic invoicing consultation, and the CFE Tax Advisers Europe response to the European Commission's VAT package for travel and tourism.

We submitted a budget representation to petition for the reinstatement of commercial restitution, requesting the restoration of the position that no interest is payable by suppliers when there is no net loss of VAT where customers have full recovery.

We made recommendations about HMRC guidance related to VAT and the visitor levies being introduced in Scotland and Wales. We also supported our Scottish and Welsh Technical Committees by meeting with Scottish Government and Welsh Revenue Authority officials. We regularly met HMRC at VAT engagement groups, discussing operational matters, registration, error corrections, simplification, property and insurance. We also engaged on customs duty and excise forums.

Our recommendations for improvements to the VAT error corrections processes resulted in several changes by HMRC. We held another successful annual in-person VAT conference.

Management of Taxes

The Mangement of Taxes Committee responded to several consultations related to HMRC's Tax Administration Framework Review, including new ways to tackle non-compliance by large numbers of taxpayers, the introduction of a statutory requirement to correct errors, improving HMRC's approach to statutory review and alternative dispute resolution (ADR), and the reform of behavioural penalties.

An area of focus for the committee in the latter part of 2025 was the government's proposal to introduce a new penalty to tackle non-compliance by tax advisers and to criminalise the failure to notify a tax arrangement under the Disclosure of Tax Avoidance Scheme (DOTAS) rules. We engaged with HMRC on these measures. CIOT technical officer Margaret Curran gave evidence to the House of Lords Finance Bill Sub-Committee on the latter of these, and our engagement has led to legislative improvements via the Finance Bill. We continue to press for further improvements and detailed guidance.

We continued our engagement with HMRC through various stakeholder forums and meetings, covering topics such as HMRC's One to Many campaigns, the Digital Disclosure Service, the Interest Review Unit, and debt management.

Digitalisation and Agent Services (DASC)

Our relationships with HMRC have been strengthened. Officials attended DASC meetings and one spent time in practice with a committee member. Engagement continued through groups like the Agent Digital Advisory Group, visits to HMRC's Portsmouth regional centre, and joint working on projects such as multi-factor authentication. We engaged extensively on agent registration and secured legislative changes in the Finance Bill. Our chair, Alison Kerrey, gave evidence to the House of Commons Business and Trade Committee in September.

We have supported HMRC with the introduction of Making Tax Digital as part of our wider focus on HMRC's digital reforms, seeking to ensure they are practical, accessible and effective for agents and taxpayers.

We progressed discussions with Ministers and HMRC on minimum standards and functionality for new digital services. The committee also hosted an HMRC roundtable on HMRC software standards, and supported the joint CIOT-ICAEW 20 years of HMRC and Tax Technology conferences.

Property taxes

In a proactive submission, we identifed tax barriers to housing supply, following the government's announcement of a target to build 1.5 million new homes by the end of this parliament. The Budget confirmation that the government would consult on one of these, the VAT treatment of land sold for new social housing development, was welcome.

We responded to a Treasury consultation on Land Remediation Relief and engaged other government departments on tax issues affecting the energy performance of privately rented homes and land use. Alongside the Employment Taxes Committee, our representation on HMRC's Construction Forum has helped improve guidance for the operation of the Construction Industry Scheme. Kate Willis, CIOT technical officer, gave evidence to the House of Commons Treasury Select Committee on property taxes as part of its pre-Budget evidence sessions.

International tax

Amid political uncertainty, the G20-OECD (Organisation for Economic Cooperation and Development) Inclusive Framework on Base Erosion and Profit Shifting will take forward the political agreement reached by the G7 in June 2025 for a 'side-by-side' arrangement. This will exempt US-parented multinationals from certain international tax rules, as well as giving some permanence to safe harbours. We welcome the positive engagement we have had with HMT and HMRC, which has allowed open conversations on the perspectives of businesses and other stakeholders and the challenges they face. This dialogue will continue into 2026 as the changes are implemented.

The Budget confirmed reforms to the UK's rules on transfer pricing, permanent establishments and the replacement of the diverted profits tax with a new underassessed transfer pricing profits tax. We had engaged with the consultations on these measures in the summer and believe they are a significant step towards modernising the UK's approach to international taxation.

The Budget confirmed reforms to the UK's rules on transfer pricing, permanent establishments and the replacement of diverted profits tax with a new underassessed transfer pricing profits tax. We responded to the consultations on these measures in the summer and view the proposals as a significant step in the modernisation of the UK's approach to international taxation.

Owner Managed Businesses

We had extensive discussions with HMRC on their interpretation of Condition C of the LLP salaried members rules and were pleased they agreed to amend their guidance following our recommendations. We also engaged HMRC on the application of section 459 and section 464A of the Corporation Taxes Act 2010, relating to the charge when loans are made to intermediaries. We also held discussions on Extra Statutory Concession D32 and HMRC's guidance and interpretation where there is a transfer of business and consideration in the form of shares.

The unexpected Budget announcement on share exchanges and reorganisations has caused some uncertainty, leading to questions around how shareholders and companies undertaking commercial transactions can achieve certainty about their tax position. Engagement with HMRC regarding this will continue into 2026, along with the Corporate Taxes Committee.

Scotland

We responded to consultations and inquiries on topics including the Scottish Aggregates Tax (SAT), the Scottish Budget and a proposed Cruise Ship Levy. We supported Revenue Scotland with the review of its technical guidance in preparation for the introduction of SAT in April 2026, and met with HMRC to discuss the need for GOV.UK guidance on the VAT treatment of the Scottish Visitor Levy.

In February, Joanne Walker, technical officer in our Low Incomes Tax Reform Group (LITRG), gave oral evidence to the Scottish Parliament's Local Government, Housing and Planning Committee as part of its scruitiny of council tax reform. This was supplemented by a joint CIOT/LITRG written submission.

We hosted a roundtable in Edinburgh in May 2025, (chaired by Jim Robertson, Chair of our ADIT Academic Board). This provided a forum for tax and legal professionals to discuss key issues for Scottish taxpayers and businesses. We have spent time building relationships with both the Scottish Government and Revenue Scotland, and participated in Ministerial roundtables to help inform the Scottish Budget process.

Wales

We provided a detailed response to the Senedd Finance Committee's consultation on the legislation implementing the Welsh visitor levy, which became law in September 2025. The focus of our engagement is now on the practical implementation of the levy, and we are represented on the Welsh Revenue Authority's forum, the National Registration and Visitor Levy Stakeholder Group.

Together with LITRG, we responded to the Welsh Government's request for views on the best ways to make changes to devolved tax legislation. Currently, there is no Finance Bill process in Wales, and our response considered the trade-offs between the competing needs of speed, scrutiny and responsiveness, and how these might be best addressed.

Climate Change Working Group

We met with the sustainability team from Chartered Accountants Ireland to discuss our experiences of the interaction between the tax system and net zero/sustainability initiatives. We continued to raise questions with HMRC on the implementation of the Carbon Border Adjustment Mechanism.

We attended a roundtable with the Treasury to discuss the consultation on the treatment of electrolytic hydrogen and the energy context for the Climate Change Levy. We assisted the Scottish Technical Committee with its work on the devolved Scottish Aggregates Tax and met with HMRC to discuss the changes in scope to the Plastic Packaging Tax and implementation of the mass balance approach.

Business Rates Working Group

We continued our engagement with the government's proposed reforms to the current business rates system, including a response to the Transforming Business Rates consultation in the first part of the year and representation on the Valuation Office Agency agent working group. We responded to the Welsh Government's proposals to address business rates avoidance in Wales and to introduce differential multipliers (rates) for certain retailers and higher value properties.

Employee Ownership Trusts (EOT) Working Group

We met with HMRC to discuss aspects of the legislation included in the Finance Act 2025 and responded to amendments made during the Bill's parliamentary scrutiny. We obtained clarification from HMRC on the application of section 80 regulations relating to trustee migration where the trustees of an EOT cease being UK resident and published an article on this.

The Budget announcement that relief from Capital Gains Tax on qualifying disposals will be reduced from 100% to 50% was a surprise, and our work in 2026 will include seeking guidance on the tax payment process.

Cross Border Remote Workers Working Group

The CIOT continued to consider issues relating to cross border working (into and out of the UK) under the umbrella of this working group.

Work included looking at the investor management exemption and international social security guidance, and suggesting that HMRC removes a reporting requirement for share schemes for short-term business visitors. We have also considered the interaction of remote working and establishment from a VAT perspective, culminating in a response to the consultation by the OECD on Global Mobility of Individuals. This consultation highlights the complexity involved, as issues relating to individual income tax and employment income intersect with corporate income tax, as well as issues regarding permanent establishments, residence and transfer pricing.

Technical team changes

In 2025 we welcomed Lauren Fletcher and Ruth Sadlier to the team. We also said goodbye to Richard Wild, Chris Thorpe and John Stockdale, and thank them for the significant contributions they made to our technical work.

Chair of Technical Policy and Oversight Committee
John Barnett (until February 2026)

Director of Public Policy
Ellen Milner

Head of LITRG and Tax Technical
Victoria Todd

Tax Technical Senior Manager
Lauren Fletcher

A voice for the unrepresented

Report from CIOT's Low Incomes Tax Reform Group (LITRG)

Low Incomes Tax Reform Group.

LITRG contributes to CIOT's public benefit role by providing free, comprehensive online guidance for those unable to afford tax advice, and by working to make the tax and associated welfare systems more equitable and accessible.

LITRG websites

LITRG's guidance is primarily delivered via www.litrg.org.uk. Although aimed at those unable to pay for advice, our materials are widely used by CIOT members, other professionals and third sector advisers.

One notable challenge that has become clear over the past year is the increasing impact of Artificial Intelligence (AI) on web-browsing behaviour, in particular, the deployment of AI 'overviews' on major search engines. In response to this, we are working with an external Search Engine Optimisation (SEO) agency to ensure our website material continues to reach the people who need it, and to better understand how the impact of AI can be managed (and harnessed) to future-proof our website and ensure it remains as a key source of accurate information for those who need it.

New ways to reach taxpayers

Changes in the way the public consume media mean we are always looking at ways to make tax information more accessible and less intimidating. This is especially true for those who may not typically access traditional tax guidance. One of the ways we are doing this is through our new TikTok account, @litrgtax.

By the end of 2025, we had produced more than 350 videos that reached an audience of over one million people. We have been pleased with the progress we have made and look forward to accelerating our presence on the platform in the year ahead.

Media

There was a notable increase in LITRG's media presence in 2025, with at least 287 appearances in the mainstream media.

Much of this was attributable to LITRG's website guidance, which is regularly cited by personal finance journalists in their reporting as a source of independent, trusted information. The team also responded to a range of press queries over the course of the year on topics including the gig economy, HMRC customer service levels, penalties and pensions.

We were also guests on the BBC Radio 4's Money Box programme, where we were interviewed about self assessment and the winter fuel payment.

Labour market developments

The labour market has continued to be a key work area for LITRG and there were some notable developments during 2025.

A significant volume of formal and informal input from LITRG helped HMRC to refine its umbrella company policy.

Our verbal and written submissions to the Independent Loan Charge Review, as part of a joint submission with our CIOT technical team colleagues and with crucial input from TaxAid, identified barriers to resolving loan charge issues and suggested ways that 'hard' cases could reach a conclusion.

Making Tax Digital

LITRG's involvement with HMRC's Making Tax Digital (MTD) for Income Tax project continued at pace. As part of this work, we have consistently called for a 'soft-landing' approach to penalties under the scheme, and were pleased to see this approach confirmed at the 2025 Autumn Budget.

In addition to working closely with HMRC's MTD policy team, LITRG have also been working to develop detailed guidance for unrepresented taxpayers affected by Making Tax Digital. This new suite of guidance resources launched in early-2026.

State Pensioners

LITRG has been at the forefront of tax developments affecting state pensioners this year.

This included working with HMRC on changes to Winter Fuel Payments, including providing feedback and challenge on the proposed options to claw back payments for people with incomes over £35,000, and helping HMRC to develop an accurate interactive guidance tool for taxpayers.

LITRG has published commentary on the complexities arising from the Chancellor's announcement (and subsequent comments) related to state pensioners under simple assessment. The team also prepared briefings on the issue to MPs ahead of the measure's consideration during the Finance Bill debates set for early-2026.

Other joint-working successes

Through joint working with HMRC and other external organisations, we can maximise both the impact and reach of our efforts. Highlights included:

- LITRG's continued work with HMRC's Basis Period Reform team, which led to an easement for unrepresented taxpayers grappling with the complexities of the transition.
- HMRC issuing a warning to employers about salary sacrifice grocery schemes, after we raised concerns and questions directly.
- As part of a joint initiative with CIOT's Professional Standards team, we published an article on economic abuse, explaining how it can affect tax and benefits, and the support available to people in this situation.
- Technical officer Joanne Walker was invited to deliver internal presentations to HMRC on customer service and response timeliness.
- Joanne was also invited to provide in-person evidence to the Scottish Parliament's Local Government, Housing and Planning Committee inquiry into council tax reform in Scotland.
- LITRG played a crucial role in a coalition led by the National Direct Payment Forum, established to draft case-study-based guidance to support organisations in determining the correct employment status of Personal Assistants (PAs). This work is essential to ensuring tax compliance, protecting the rights of PAs, and enabling employers, often people receiving Direct Payments, to manage their obligations legally and confidently.
- LITRG has continued to work with HMRC and other pension industry stakeholders on the implementation of the Net Pay solution for low-income pension savers. This year we have actively worked with the customer communications team within HMRC's Pensions and Savings Change Delivery Group to maximise the take up of top-up payments, which are due to be issued to affected taxpayers from next year.

The LITRG Team

LITRG welcomed two new Technical Officers during the year, Sarah Weston and Laura Cumins. A third, Heather Coley, will join at the beginning of 2026. All three are looking forward to contributing to LITRG's success in the year ahead. We also said goodbye to Tom Henderson, who left us in 2025.

Meredith McCammond – British Empire Medal

In June, LITRG Technical Officer Meredith McCammond was awarded the British Empire Medal (BEM) in the King's Birthday Honours List for services to vulnerable groups. This was richly-deserved personal recognition for Meredith, who always shows such passion and dedication to the issues affecting low-income taxpayers.

Director of Public Policy
Ellen Milner

Head of LITRG and Tax Technical
Victoria Todd

LITRG Senior Manager
Antonia Stokes

Meredith McCammond receives her British Empire Medal

Promoting understanding of tax

Report from CIOT's External Relations team

CIOT's objectives include creating a "well informed opinion" on tax. To achieve this, we inform public debate via the media, publish information for taxpayers, engage with politicians and other policy makers, and promote discussion on tax policy.

CIOT in the media

CIOT and LITRG featured more than 800 times in the mainstream media, with hundreds more in the tax and accountancy trade press. Issues included:

- HMRC service levels and tax administration, including helplines, webchat, digital services and delays (Financial Times, Daily Telegraph, Daily Mail, The Times, BBC).
- Agent registration and raising standards in the tax advice market (Bloomberg).
- Tax simplification and digitalisation, including Making Tax Digital, agent services and handling of slow-moving queries (Financial Times, This is Money, Telegraph).
- Pre-and post-Budget analysis, including National Insurance changes, fiscal drag and frozen thresholds (Financial Times, Mirror).
- Analysis of the impacts of Scottish tax divergence and their effects on taxpayers (The Times, Mail on Sunday, STV News).
- HMRC's 'tax gap' figures (BBC Radio 5).
- Capital taxes and investment, including R&D tax credits, dividends and capital gains (Financial Times, Telegraph, Bloomberg).

LITRG contributed prominently to stories on topics including:

- Tax on side hustles and online marketplaces (Telegraph, Guardian, BBC Radio 4).
- Pensions, savings tax and state pension taxation (Daily Mail, Express, BBC Radio 4).
- Universal Credit migration and benefits interaction with tax (Mirror, regional press).

Online information

We published 98 blogs, including eight from guest authors, covering topics like business tax reform, development value taxes, and the closing thoughts of Leonard Beighton as the Tax and the Family project closed down.

Our most read articles were our National Insurance explainer, a report on Reform UK's tax policies and an article warning people about claims made by firms offering Stamp Duty Land Tax refunds.

Our blogs can be read at tax.org.uk/blog/1 and our videos at tax.org.uk/videos-and-audio.

CIOT in Scotland

We enjoy a prominent role in the Scottish tax debate, featuring 254 times in the mainstream Scottish press on topics including the Scottish and UK budgets and council tax reform. Members of the Scottish Parliament cited CIOT in debates on National Insurance, and an inquiry into the Scottish Budget process in practice. Ahead of the Scottish Parliament elections in May 2026, we engaged politicians from the SNP, Conservatives and Labour at events facilitated by the Enterprise Forum.

CIOT in Wales

We continued to engage with the Welsh Government and Welsh Revenue Authority, including with input into legislation on the Welsh visitor levy and attendance at a roundtable on wealth taxation organised by the Welsh Government. In June, we attended the Welsh Tax Conference to engage with officials and others with an interest in Welsh tax policy and in January 2026, will be attending meetings with representatives from four political parties in Wales to discuss their economic plans ahead of the forthcoming Senedd elections.

> "I start by putting on the record my thanks to the Chartered Institute of Taxation. It was a great support to me in opposition and continues to be an important stakeholder for us in government."
>
> James Murray MP (then Exchequer Secretary - House of Commons, Jan 2025)
>
> "...the most helpful, the most effective institute I've ever dealt with."
>
> Gareth Davies MP (then Shadow Financial Secretary, CIOT Parliamentary Reception, Jun 2025)

CIOT Parliamentary Reception, June 2025 (L-R, Gareth Davies MP, James Murray MP, Nichola Ross Martin, Lord Mackinlay, Helen Whiteman).

Engaging with policy-makers

We continue to work with politicians of all parties in pursuit of better-informed tax policymaking and engaged with more than 70 politicians across the UK's parliaments. Highlights included:

- Online briefings for shadow ministers on Finance Bill measures, together with 30 written briefings.
- Meetings with the Exchequer Secretary to discuss R&D credits, simplification and tax policy making.
- Attending Labour, Conservative and Lib Dem party conferences, meeting politicians including pensions minister Torsten Bell, shadow chancellor Mel Stride and Rural Affairs Committee chair Alistair Carmichael.
- Welcoming prominent politicians to speak at our Labour and Conservative party conference debates (see page 11).
- Tax minister James Murray and shadow minister Gareth Davies spoke at our parliamentary reception in June, alongside longstanding CIOT member Lord Mackinlay. Other attendees included Lib Dem Treasury spokesperson Daisy Cooper and HMRC Permanent Secretary JP Marks.
- Our 'HMRC at 20' conference (held jointly with ICAEW) included current and former tax ministers, the chair of the Treasury Committee and two former permanent secretaries (see page 10).
- In October we held a roundtable on small business tax compliance, bringing together participants from politics, business, HMRC and the tax profession to explore how burdens can be reduced and compliance improved.

Informing debate, influencing policy

CIOT and LITRG continue to play a prominent role in the tax policy debate, influencing legislation and supporting scrutiny. We were cited more than 70 times in parliamentary debates, including:

- More than 40 citations during debate on Finance Act 2025, on topics ranging from furnished holiday lets to transfer pricing to non-doms. The non-dom changes and employee-ownership trusts legislation in that Act both incorporate changes we had argued for.
- Finance Bill 2025-26 contains several measures we have influenced, including umbrella companies legislation protecting workers and changes to inheritance tax proposals to protect personal representatives and make agricultural and business reliefs transferable between spouses.
- John Bunker and Emma Chamberlain gave evidence for CIOT to a House of Lords inquiry into the inheritance tax changes, contributing to a report in January 2026 which cited CIOT 44 times.
- Further select committee expert witness sessions on registration of tax advisers (Margaret Curran), property taxes (Kate Willis) and small business taxation (Alison Kerrey).
- Exchequer Secretary James Murray's keynote speech at our 'HMRC at 20' conference contained policy measures including a change in the threshold for filling out a tax return for trading income.

Director of Public Policy
Ellen Milner

Head of External Relations
George Crozier

Excellence in tax education

Report from the Education Committee

The Education Committee ensures that the educational aims of the Institute remain relevant and maintains a focus on the future development of the tax profession.

In addition to providing support and encouragement to students, the committee is responsible for promoting the study and understanding of tax for the benefit of the wider public.

By the end of 2025, there were 4,226 students registered for the CTA qualification. This includes those participating in our Joint Programmes with the Institute of Chartered Accountants in England and Wales (ICAEW) via the ACA-CTA route, and the Institute of Chartered Accountants of Scotland (ICAS) through the CA-CTA route. A further 3,073 students are registered for the Tax Pathway, the joint ATT-CTA route to qualification.

The Education Committee has responsibility for the ADIT Sub-Committee, the Grants Sub-Committee, and the Fellowship Sub-Committee.

CTA Exam Skills and Focus Webinars

Five webinars were held for students for each exam session. These took place in the spring and autumn. They are the most direct way the Institute supports its CTA students.

To make these training sessions as widely accessible as possible, they are offered at a low price in the hope of being affordable for all, not least those who are self-studying. Feedback remains positive and the Institute is grateful for the excellent tutors who teach the students.

Fellowship

One person successfully presented a dissertation to the high standard required to achieve Fellowship. Fourteen people had their Fellowship synopses approved; two were Direct Fellowship applicants and twelve were CTA Associates.

Journal of Tax Administration

The committee has responsibility for monitoring the Institute's involvement in the future development of the Journal of Tax Administration (JoTA) which is funded by CIOT. A general issue of the journal (Volume 10) was published in September 2025 and included a selection of research articles relating to various aspects of tax administration. Interest in both the journal and its website remains positive.

Grants

The committee approved three grants, supporting:

- A tax PhD career development workshop organised by the Cambridge Tax Discussion Group that was held at the University of Cambridge in June 2025.
- The Tax Research Network (TRN) Annual Conference at the University of Nottingham Business School in September 2025.
- An 18-month academic research project carried out in partnership between King's College London and the Ivey Business School at Western University, Ontario, Canada on the subject of tax compliance practice and technology.

Applications were received from five candidates for our tax PhD grant programme. Four awards were agreed.

ADIT

The Advanced Diploma in International Taxation (ADIT) was represented at two key CIOT international tax conferences, both of which were delivered as hybrid events. The 18th CIOT/ADIT/IFA Young International Corporate Tax Practitioners' Conference took place in London on 26 September and attracted 113 delegates. The 26th CIOT/ATT/ADIT/IFA Cross Atlantic and European Tax Symposium took place in London on 20 November, with 66 delegates attending.

The sixth ADIT International Tax Webinar series took place between April and November 2025. Nine webinars were delivered, attracting 2,975 delegates.

10 ADIT Network Webinars were delivered in 2025. These focused on international tax topics of interest to ADIT audiences in the countries represented by the nine ADIT Champions based across the globe. These events attracted 936 delegates and are free to help grow the ADIT community in the countries and regions in which ADIT Champions operate. Each event is promoted to local ADIT students and holders, as well as tax professionals at the Big Four, multinationals and other major employers.

ADIT exhibited at the 14th IBA London Finance and Capital Markets Conference on 20 and 21 January. More than 250 corporate tax law specialists attended the event, many representing financial service firms and clients. This provided an opportunity to promote the ADIT Banking option module.

ADIT also exhibited at the 77th IFA Annual Congress in Lisbon, held from 5 to 9 October. Around 2,000 senior international tax professionals and academics attended the event, representing firms, governments and universities around the world.

The congress provided the ADIT team with the opportunity to unveil the new ADIT Pillar Two Award, a stand-alone, spin-off qualification designed to guide international tax professionals on the key concepts of the OECD's Pillar Two initiative and their practical implementation. The award opens for student registration at the beginning of 2026 and the first exams will take place in June 2026.

In-person and virtual ADIT awards ceremonies took place on 25 September and 26 November respectively. These were presented by ADIT Academic Board Chair, Jim Robertson, and included a speech from CIOT President Nichola Ross Martin. A total of 81 ADIT award winners, graduates and Affiliates participated, and the virtual event included a networking session led by members of the ADIT Sub-Committee and ADIT Champions from around the world.

Chair of Education Committee
Jane Frecknall-Hughes

Director of Education
Vicky Purtill

Head of Qualifications Development
Kelly Sizer

DITT
Diploma in Tax Technology

The Diploma in Tax Technology (DITT) continues to grow worldwide. 296 new candidates from 36 countries registered in 2025, and 184 candidates completed the qualification. 452 candidates have now achieved the diploma since its launch in November 2022.

The DITT Committee met twice in 2025, chaired by Paul Aplin. It led the second annual DITT syllabus update, which was coordinated by tuition providers Coefficient and Tolley and completed in July. Large employers continued to show their interest in the qualification, putting cohorts through the programme and providing positive feedback on their collective experiences.

Six episodes of the 'DITT Talk' podcast series were released, taking the total in the series to nine. Presenter (and committee member) Shan Sun was joined by tax technology experts, including guests from Bloomberg Tax, Meta and HMRC.

The diploma was promoted at a number of events, most notably the Tax Technology Conference, which took place in June at the ICC in Birmingham. Paul Aplin and Shan Sun chaired panels and led interactive sessions at the inaugural event that attracted over 200 delegates. DITT graduates were also invited to accept their certificates in person from CIOT President Nichola Ross Martin at the joint ADIT and DITT Awards Ceremony in London in September.

A short online course, AI for Tax, launched in December 2024, under the DITT brand. There were 475 course registrations in 2025 and 124 students have since completed the course. Materials were produced by Coefficient under the DITT Committee's governance, and it continues to be delivered via Tolley's online learning platform. Eligibility for AI for Tax was expanded to include candidates based in EU countries from November 2025, and the first syllabus update is due in spring 2026.

Examinations report

Report from the Examination Committee

A CTA is regarded as having achieved the premier professional tax qualification, having passed exams that require candidates to demonstrate a breadth and depth of technical expertise and an ability to apply this to practical situations.

The primary objective of the Examinations Committee is the supervision of the administration arrangements for the Chartered Tax Adviser (CTA) examinations, and the review of the examination format and results in line with Council requirements. This ensures exams are set to the correct standard, are conducted in an environment that ensures fairness, and demonstrate the quality of the education provided. We are grateful to our examiners, committee members and staff for all their hard work in what is a huge administrative and intellectual exercise.

In 2025, 3,909 CTA exams were taken across the May and November exam sessions. 665 students successfully completed the exam requirements for membership of the CIOT.

These figures include those registered either as apprentices or studying with the CIOT directly, on the CTA Direct Route, the ATT CTA Tax Pathway, the ACA CTA Joint Programme and the CA CTA Joint Programme. The Examinations Committee also oversees the examinations taken as part of the Advanced Diploma in International Taxation (ADIT). The committee hopes that the successful candidates will go on to play an active role in the future of the CIOT, volunteering for whichever area of the Institute's work interests them most.

How the exams were offered in 2025

The same exam software that was used in 2024 was pre-loaded onto devices at test centres. Exams were invigilated by test centre staff and candidates had access to their own pre-purchased, exam permitted tax legislation with online search facilities, providing a consistent environment for all candidates.

The test centres are able to accommodate the vast majority of candidates who require additional time or require alternative arrangements.

Exam changes

From November 2026, a new software provider, TestReach, will be used to improve the exam process for students. The new platform will enable a modernised experience better aligned to the workplace, as well as a clean and intuitive interface.

Exams will continue to be sat at test centres and we will be working with test centre staff to ensure the smooth implementation of the new software.

Computer Based Examinations on demand

In addition to our twice-yearly exam sessions, CTA candidates are also examined via Computer Based Examinations (CBEs) on Principles of Accounting, Law, and Professional Responsibilities & Ethics. These examinations are available year-round at test centres across the UK. Students not wishing to sit their exams in a test centre can sit them in a suitable location of their choice, using a remote invigilation package with a live invigilator. This option gives students choice, increases accessibility and reduces travel time.

CTA review

A comprehensive review of the CTA qualification was undertaken to ensure it continues to meet the needs of candidates, employers, the tax profession and other stakeholders.

During 2025, a consultation document was sent to all stakeholders and other interested parties. Based on the responses received, the Examinations Committee provided Council with their advice and recommendations on proposals for the new CTA qualification.

The first examination session of the new qualification structure will take place in May 2028. At the December 2025 Council meeting, the final handbook and syllabus, based were presented to Council for approval and published on the CIOT website. Pilot papers and transitional arrangements will be created for publication in early 2026.

Regular progress reports will be provided to Council by the Examinations Committee throughout 2026.

You can read more about the review and the qualification on pages 8 and 9.

ATT CTA Tax Pathway

226 students qualified via the ATT-CTA Tax Pathway. This route enables students to study for both the ATT and CTA qualifications and become members of both bodies in less time, without reducing the quality and rigour of the qualifications. Students are able to transfer onto the ATT CTA Tax Pathway from traditional CTA and ATT routes, provided they meet the requirements.

ICAEW/ICAS Joint Programmes

154 students successfully completed the ACA-CTA and CA-CTA Joint Programmes. This includes 50 who completed the qualification via one of the two permitted ADIT exam papers for Joint Programme students.

The programmes with ICAEW and ICAS are changing so that the revised format ensures consistency for all students in terms of the CTA elements of the programmes, regardless of whether studying with ICAEW or ICAS. A new compulsory paper, Tax Knowledge and Skills, will be introduced from November 2026. This paper replaces another compulsory tax paper that was set by the ICAEW and forms part of the ACA qualification. Further information on the key changes to the Joint Programmes can be found on the CIOT website.

Level 7 Apprenticeship

99 apprentices completed all elements of the End-Point Assessment (the Project Report and the Application and Professional Skills exam) to achieve their Level 7 Apprenticeship in Tax.

ADIT

Approximately 3,750 students from around 110 countries are currently pursuing our ADIT qualification. 2,379 individuals have now achieved the qualification, 493 of whom have subscribed as International Tax Affiliates.

2025 saw around 940 new students registering for the ADIT qualification. Online exams took place in June and December 2025. Around 2,250 exam entries were received for the two exam sessions, and students sat these in their homes and offices across 75 countries.

Chair of Examinations Committee
Jo Bello

Director of Education
Vicky Purtill

Education and Examinations Manager
Jude Maidment

We are...

Collaborative

Working constructively with stakeholders to achieve our goals.

Committed

Focused on and dedicated to the consistent delivery of our charitable objectives and services.

Empowering

Encouraging and enabling personal growth and seizing opportunities.

Ethical

Acting with integrity, promoting high ethical standards and accepting accountability for our actions.

Inclusive

Welcoming, respecting and valuing everyone and actively considering how to be accessible.

Progressive

Future focused, constantly learning and driving improvements that deliver enhanced service excellence.

Prize winners

After each exam session, we are pleased to award various medals and prizes to commend those students who have achieved outstanding performance. Our congratulations to those listed below for their accomplishments in 2025.

May 2025

James Shepherd	Institute Medal
Ria Dhillon	Gilbert Burr Medal
Charles Tillett	Victor Durkacz Medal
Jordan Wright	Spofforth Medal
Pratik Shah	John Beattie Medal
Joanna Sherriff / Beth Wybrow	Ronald Ison Medal
Oliver Flounders	John Tiley Medal
Holly Chen	Wreford Voge Medal
Elysia Warner	Ian Walker Medal
James Burgess	Avery Jones Medal
Joe McWilliam	Chris Jones Prize
Jordan Wright	Croner-i Prize

November 2025

Jordan Wright	Institute Medal
Corey Jones	Gilbert Burr Medal
Amelia Tapp	Victor Durkacz Medal
Alice Green	Spofforth Medal / Croner-i Prize
Rachel Jackson	John Beattie Medal
Perla Hoffman	Ronald Ison Medal
Daniel Moreno / Henry Lord	John Tiley Medal
Benjamin Thompson	Wreford Voge Medal
Susan van der Byl	Ian Walker Medal
Daniel Collings	Avery Jones Medal
Lauren MacLaren	Chris Jones Prize

CTA medals/awards are awarded for the following: Institute Medal for the candidate who has completed the CTA qualification by achieving first time passes in all required tax exams, regardless of route sat, and having achieved the best overall performance (exams could be taken at one or more exam sessions). Gilbert Burr Medal for the highest mark in the Taxation of Owner-Managed Businesses Advanced Technical Paper (ATP). Victor Durkacz Medal for the highest mark in the Domestic Indirect Taxation ATP. Spofforth Medal for the highest mark in the Inheritance Tax, Trusts & Estates ATP. John Beattie Medal for the highest mark in the Human Capital Taxes ATP. Ronald Ison Medal for the highest mark in the Taxation of Individuals ATP. John Tiley Medal for the highest mark in the Taxation of Larger Companies and Groups ATP. Wreford Voge Medal for the highest mark in the Cross-Border Indirect Taxation ATP. Ian Walker Medal for the highest mark in the Awareness Paper. Avery Jones Medal for the best performance in the Application and Professional Skills Paper. Chris Jones Prize for the highest total marks in two ATPs (taken at the same sitting). Croner-I Prize for the candidate with the highest distinction mark in an ATP.

ADIT medal and prize winners

To celebrate outstanding achievements in the exams, the ADIT Academic Board awards a selection of medals and prizes to students attaining the highest standard. Our congratulations to those listed below for their accomplishments in 2025.

June 2025

Scott Booth	Heather Self Medal
Joshua Kirk	Raymond Kelly Medal
Siri Kamireddy	Worshipful Company of Tax Advisers Prize
Xanthippi Kladou	Tom O'Shea Prize
Elena Zampakidou	IVA Prize
Anne Hardman	Croner-i Prize

December 2025

Padrig Davies	Heather Self Medal
Jamie Roberts	Raymond Kelly Medal
Lukasz Kazmierczak	Tom O'Shea Prize
Tarun Grover	IVA Prize
Peter Beckett	Croner-i Prize
Alison Taylor	Wood Mackenzie Prize

ADIT medals/awards are awarded for the following: Heather Self Medal for best overall performance in Module 1 Principles of International Taxation. Raymond Kelly Medal for best overall performance in Module 2.09 United Kingdom option. Tom O'Shea Prize for best overall performance in Module 3.01 EU Direct Tax option. Croner-i Prize for best overall performance in Module 3.03 Transfer Pricing option. Worshipful Company of Tax Advisers Medal for highest mark in Module 2 (all other options). Wood Mackenzie Prize for best overall performance in Module 3.04 Energy Resources option. IVA Prize for best overall performance in Module 3.02 EU VAT option.

Membership and branches

Report from the Membership and Branches Committee

The branch network helps CIOT achieve its charitable aims by providing access to continuous professional development opportunities, sharing best practice and helping to enhance the tax profession.

Members

The Institute's total membership at the end of 2025 was 20,564 (2024: 20,193). We were pleased to welcome 754 new members during the year (2024: 688).

92% of qualified students become members within two years of successfully passing their CTA exams (2024: 91%). We continue to enjoy the benefits of an enviable membership retention rate, which remained at 97% in 2025. 615 members are now eligible to use the CTA Practicemark, use of which is subject to CIOT's governing Charter, Byelaws and Members and Council regulations.

A special mention must go to the 52 members who reached their 50-year membership milestone with us, and to those who received certificates celebrating their 10th, 25th and 60th anniversaries. We emailed all members marking their 5th year of membership to encourage and build on their engagement with the Institute.

In March, we welcomed new members to admission ceremonies at the magnificent Drapers' Hall in the City of London. These events were attended by 210 new associates, 18 prizewinners, eight 50-year members and four fellows, together with their guests.

Returners 2 Work

The Returners 2 Work (R2W) programme was introduced to support tax professionals returning to the workforce after a career break, taking forward the findings of a members survey undertaken by the Equality, Diversity and Inclusion Committee.

A pilot programme ran between April and September 2025, combining in-person workshops, virtual sessions and peer coaching. Six individuals took part in the pilot, including people returning from maternity leave, illness, or moving to a new role.

The pilot was a major success. Participants reported significant improvements in their professional confidence, clarity on their career direction, and the benefits of having a supportive peer network.

Eight participants are taking part in a second cohort of the programme, which began in October. They include both members and students with varied circumstances. Unlike the first cohort, this group is participating exclusively online in recognition of the geographical spread of the participants

In addition to these programmes, the R2W scheme has supported 31 other members and students through LinkedIn workshops, coaching and 1-2-1 support.

Admission Ceremony, March 2025

CIOT London Branch social event, June 2025

Branches

The branch network is supported by over 200 volunteers who are CIOT members or students. 59 hold the role of chair or another officer position. 36 new branch committee members joined the network in 2025.

This year, we were delighted to welcome Sofia Thomas as Chair of the Membership and Branches Committee. Sofia succeeds Sarah Hewson, who we thank for her commitment and leadership, and for the significant contribution she has made to the committee's work.

We would like to extend our thanks to the branch volunteers who have supported the network for a number of years and who have stepped down, in some cases to take up other roles within the Institute and in others, to make way for new volunteers in the interests of good governance and succession planning.

Branch volunteers met in February to discuss succession planning for volunteers, audiences, and speakers. They met again in October to reflect on their ambassadorial roles for the network and to consider strategies for growing branch communities.

The network delivered 142 events in 2025 on a broad range of topics including:

- Pillar Two residency and Principal Private Residence relief.
- Efficient legal research and structuring tax advice.
- Tax strategies for influencers, gamers and online sellers.
- Land and Buildings Transaction Tax (LBTT).
- High net worth individuals leaving the UK.

We have brought local communities together with more in-person events across the network. There were 102 in-person CPD and social events in 2025 (2024: 70), with a pleasing increase in registrations, including 1650 CIOT members (2024:970) and 380 students (2024: 230).

Attendance at virtual events dipped slightly but this may be partly due to the fact that fewer online events took place in 2025 (36) compared with 2024 (45). Nevertheless, there were 4,610 member registrations (2024: 6,100) and 1,270 student registrations (2024: 1,070).

We would like to take this opportunity to thank our volunteers for their hard work througout the year to provide their local communities, including our members and students, with CPD and networking opportunities, and for the work they do to support the Institute's objective of furthering education in taxation.

Chair of Membership and Branches Committee
Sofia Thomas

Chair of Branch Network
Lynne Poyser

Head of Member Services
Emma Barklamb

Upholding professional standards

Report from the CIOT/ATT Professional Standards Committee

Members are expected to adhere to high professional standards to maintain trust in the profession. The committee considered several important issues during the year to set appropriate standards and to review and monitor adherence to these.

Professional Rules and Practice Guidelines (PRPG)

Work began to update the PRPG, which sets out requirements for members and guidance for those undertaking tax work. A full review has not taken place since 2018 and several areas need to be refreshed, including reporting requirements to the CIOT and guidance on conflicts of interest.

Professional Conduct in Relation to Taxation

Significant work to align the wording of PCRT with the International Ethics Standard Board for Accountants (IESBA) ethical provisions for accountants providing tax planning services was concluded by the author bodies (including CIOT) in 2025. Although the CIOT is not required to meet IESBA standards, four other author bodies are. The changes should not present significant extra burdens when providing tax advice.

Topical guidance on the application of PCRT to Making Tax Digital (MTD) for Income Tax was issued in July, and continues to be kept under review. Work was also undertaken to update topical guidance on the application of professional standards to the provision of Research and Development tax credit services, together with draft guidance on the application of PCRT when using artificial intelligence to provide tax services. These are expected to be published in 2026.

Professional Indemnity Insurance (PII) and Continuing Professional Development (CPD)

We continued to liaise with insurance providers to monitor market conditions for obtaining insurance. We have also been considering how to encourage the uptake of cyber security insurance alongside general awareness on cyber security issues.

The CPD working party continued to keep the regulations under review and began work on improving supporting guidance.

Member support

We are pleased to provide support to members through our helpline, standards@ciot.org.uk. Queries covered a wide range of issues including PII, meeting CPD requirements, handover of clients to new advisers and suspicious activity reporting.

Work with HMRC

We continued to engage with HMRC on raising agent standards and responded to its consultation on enhancing its powers to tackle tax advisers facilitating non-compliance.

Following the consultation, HMRC issued three sets of draft legislation. The professional standards team worked with CIOT's Technical team and HMRC to secure legislative improvements, in particular, to agent registration. We also provided input on draft legislation relating to the facilitation of non-compliance and promotion of tax avoidance. Work will continue in 2026 as we seek to ensure the measures are proportionate.

CFE Tax Advisers Europe

CIOT participated in a panel discussion at CFE's Tax Symposium in Ghent. The focus was on AI, Tax Technology & Indirect Tax, and we were able to share points from work undertaken to prepare PCRT topical guidance on the use of AI.

Compliance

The CIOT does not simply set standards but must also monitor compliance and follow up where non-compliance is identified, including issuing fines and referring to the Taxation Disciplinary Board (TDB) where appropriate.

Membership readmissions and annual returns

CIOT's readmissions policy, including implications for members and students following disciplinary action, was updated in 2025.

The annual return is important for checking member compliance. Members must self-certify compliance with CPD, PII and Anti-Money Laundering (AML) obligations and respond to conduct questions, including criminal convictions and disciplinary action by another professional body.

Members failing to complete a return risk referral to the TDB. We have stepped up enforcement activity in this area, including issuing more than 20 fines for non-submission.

CPD audit

The annual check of a selection CPD records indicated a high level of compliance with this membership requirement.

Chair of Joint Professional Standards Committee
Dhruti Shah

Director of Public Policy
Ellen Milner

Head of Professional Standards
Jane Mellor

Anti-money laundering

Anti-money laundering report

All businesses in the UK tax and accounting sector must be supervised for Anti-Money Laundering (AML) by an approved supervisory body. One of CIOT's objectives is to "prevent crime", and effective AML supervision is an important tool for achieving this.

AML supervision

The CIOT acts as a supervisor for firms where at least one of the principals is a CIOT member. On 31 December, over 850 firms were supervised.

These include firms where a member is the sole proprietor, where there is at least one member who is an equity partner, LLP member or company director listed at Companies House, and where the firm provides tax advice.

Firms must apply for supervision and undergo checks before being accepted. They must renew their status annually and answer questions about their compliance with money laundering regulations (MLR). Non-compliance is followed-up and enforcement taken if required.

CIOT is responsible for ensuring that tax and accountancy firms run by our members understand the AML, counter terrorist financing and counter proliferation financing risks facing their business and how to mitigate them. We also ensure they comply with their AML, counter terrorist financing and counter proliferation financing obligations.

Updated AML scheme rules came into effect from 1 November 2025, including the requirement for firms to retain copies of suspicious activity reports submitted to the National Crime Agency and notes of matters considered for reporting. They also clarified the requirement to respond promptly to AML supervision review requests and disciplinary action.

AML Inspection visits

34 firms were subject to AML inspection visits in 2025. In accordance with MLR regulations, all our supervised firms are given a risk rating. A minority are considered low risk, given the risks of tax work identified by the National Risk Assessment (NRA).

High risk firms or those with a higher medium risk profile are included in our programme as well as a small sample of other medium and low risk firms. This covers firms from sole practitioners to larger practices. The programme is flexible and visits can be added when new risks are identified, for example, for late registering firms or those indicating non-compliance in AML renewal forms.

An AML visit allows us to rate compliance with MLR regulations. In 2025, four firms were compliant, 26 generally compliant and four non-compliant.

Firms deemed generally compliant or non-compliant are issued with action points and a deadline for completion. Ongoing non-compliance is referred to the Taxation Disciplinary Board.

Enforcement

22 fines were issued for failure to complete renewal forms on time. We are now required to take a firmer line on AML non-compliance, and we referred four CIOT members to the Taxation Disciplinary Board for late AML supervision registration and failure to deal with AML requirements.

Communication

Members were kept updated via AML newsletters, all-member emails and Tax Adviser magazine. AML issues were covered in a Professional Standards webinar in April. A second webinar in November included guidance on changes to scheme rules, reporting suspicious activity, the updated NRA, training requirements and other compliance tips. We also provided AML training to the Taxation Disciplinary Board (TDB).

Our annual AML supervision report was titled 'Making AML Supervision effective in a changing world'. This report is a requirement under the MLRs in addition to our report to HM Treasury.

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

We continue to engage with other AML supervisors, HM Treasury and OPBAS to meet our statutory requirements as a supervisor. We also share information on financial crime threats and risks.

We are accountable to OPBAS for the standard of our supervision. Action points identified during our 2024 OPBAS review were resolved during 2025. In October, the Treasury announced the outcome of its 2023 consultation on reforming the AML supervisory system. It indicated that professional body supervision will move to a single supervisor, the Financial Conduct Authority. The CIOT engaged with OPBAS, HM Treasury and the FCA in relation to these changes, which are expected to start in 2028.

Chair of Joint Professional Standards Committee
Dhruti Shah

Director of Public Policy
Ellen Milner

Head of Professional Standards
Jane Mellor

Enforcing standards

Taxation Disciplinary Board report

The Taxation Disciplinary Board Limited (TDB) is an independent body which handles complaints about alleged breaches of professional rules and conduct by members and students of CIOT and ATT.

The TDB is responsible for administering the Taxation Disciplinary Scheme (TDS), which sets out the principles and powers underlying the participant bodies' complaints and disciplinary procedures. These procedures exist to protect the public. By maintaining and enhancing professional standards, they also strengthen the standing and reputation of the tax profession and are beneficial to all members. The TDB aims to ensure it is at the forefront of best regulatory practice, and is committed to an open and effective system of complaints handling and disciplinary tribunals.

Governance of the TDB

Overall responsibility for the administration of the TDS lies with the TDB Board of Directors.

Tom Hayhoe was Chair during 2025, supported by 3 directors: Daniel Lyons (appointed by CIOT), Brian Palmer (appointed by ATT), and Jane Brothwood (Independent Non-Executive Director).

The committees and tribunals appointed by the TDB are drawn from a panel of legally qualified professionals, tax professionals, and lay persons. Panel members do not have any current involvement with the standards setting of the two participant bodies.

Complaints are managed by the TDB Operations Team within a firewalled area of CIOT/ATT Professional Standards, under the oversight of the Head of Professional Standards.

The Board employs a part-time Executive Director who supports the board and panel members, working on policy and strategy and fulfilling the company secretary's duties. The Board also employs a part-time administrative assistant. The Clerk to the Disciplinary Tribunal is responsible for the organisation and conduct of disciplinary tribunal hearings.

Overview of 2025

The investigation of complaints, including the function of 'Reviewer,' and day-to-day administration, is undertaken by two Case Managers within the TDB Operations team. An additional Case Manager was recruited for a one-year fixed term contract in September 2025 to assist in clearing the backlog of cases.

TDB have continued to operate remotely, with some in-person meetings at the office in Monck Street. Disciplinary Tribunal hearings are held virtually.

The Board undertook a quality assurance review of TDB case work in the spring of 2025, and held a strategy day in July to consider how to improve processes and regulations which set out the rules on how the disciplinary process is conducted. The current Executive Director has started work on a review of the operation of the disciplinary process and updating the Regulations. This work will continue in 2026.

A successful training day was held in November 2025, with most attendees attending in-person and some joining virtually. It was a wonderful opportunity to come together again, to learn and share good practice. The day was led by Sarah Ellson, Partner at Fieldfisher solicitors, with discussions with panel members on TDB processes and documentation.

Case Center, an evidence management platform provider, provided training on use of their product by panel members. This tool is used to collate case information for hearings and enables information to be securely shared with panel members. Anest Ellis, TDB Case Manager, provided an update on the work of the TDB and Jane Mellor, Head of Professional Standards at CIOT/ATT, presented updates on professional standards material and anti-money laundering requirements.

Complaint cases received in 2025

TDB still maintains a backlog of cases, but good progress is being made in working through these. The Consent Order process was introduced in 2024 and during 2025 has proved to be useful in speeding up the resolution of cases and reducing costs for members.

The TDB received 83 referrals in 2025, of which 38 cases related to CIOT members. The TDB were also put on notice of 15 potential referrals of CIOT members. These referals depend on the outcome of criminal proceedings or disciplinary action by other bodies. Of the 83 cases, 12 were made by CIOT. The remainder of the referrals were made by ATT, other professional bodies, by government, clients, or other members of the public.

Eight complaints received during 2025 related to anti-money laundering (AML) failures identified through AML supervisory activity. Four of these complaints related to CIOT members. Enforcement action in relation to members with AML breaches is required to be effective, proportionate and dissuasive under the requirements of the Money Laundering Regulations. Two CIOT members have been censured (one of whom has been fined as well) and at the end of the year, the remaining two were still going through the disciplinary process.

Other than AML-related cases, complaints received related to the provision of poor advice or service. There were a significant number of complaints where the member brought the profession into disrepute through their dismissal, convictions for offences such as drink driving, or as a result of having being disciplined by other professional bodies. Only a small number related to a complaint where the advice provided may have breached the requirements as set out in Professional Conduct in Relation to Taxation.

Disciplinary hearings and outcomes in 2025

The Disciplinary hearings undertaken in 2025 included referrals made during 2025 and in previous years.

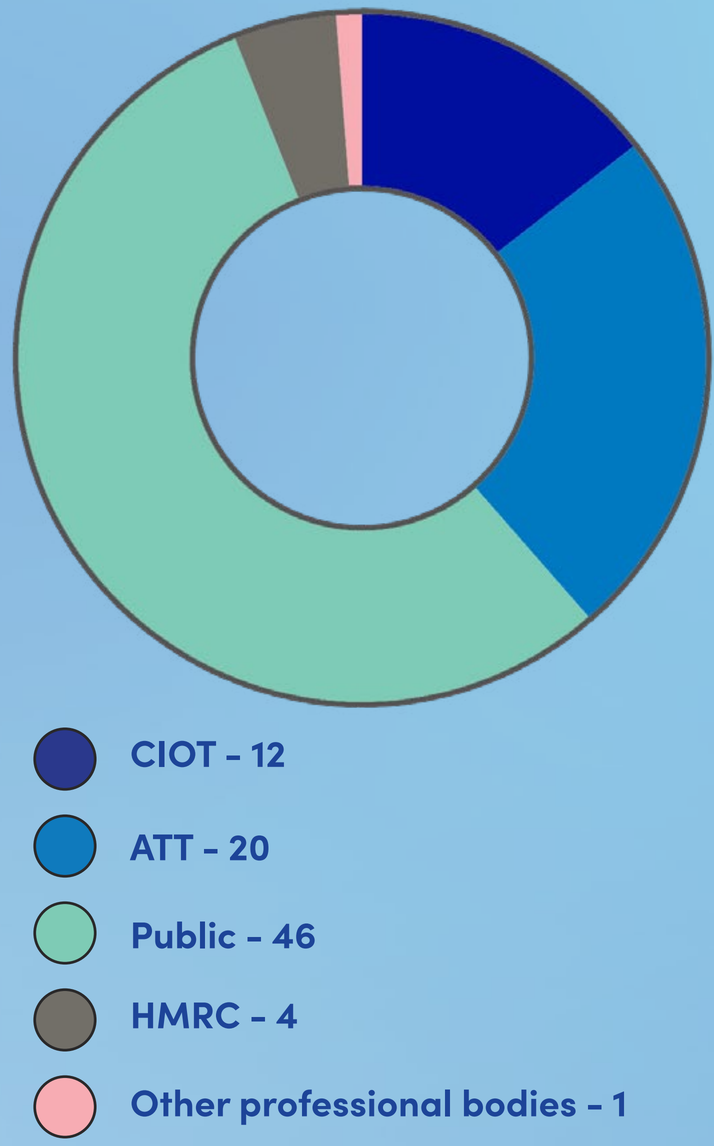
In relation to publicised complaint outcomes, five CIOT members went through the full disciplinary process, with one being expelled, two fined and suspended for a period of two years, one censure, and one where the complaint rests on file.

Eight members settled their cases by way of consent orders, where they admitted to breaches of CIOT rules and agreed for the sanction to be imposed. One member agreed to expulsion, and one student agreed to be removed from the student register. Six members were censured, of which two were also fined.

Where disciplinary action was upheld against members, details are included on the Taxation Disciplinary Board Website hearings page. This page includes links to cases settled by consent order and those which went to the Disciplinary Tribunal.

Chair of Taxation Disciplinary Board
Tom Hayhoe

Source of TDB referrals



Managing our resources

Finance Committee report

The Finance Committee oversees the financial activities of the Institute, providing information and recommendations on financial matters to Council.

2025 results

The Institute made an operating surplus (before gains or losses on investments) of £290,000 for the year (2024: £245,000 deficit).

The Institute benefitted from increased income from membership subscriptions, student registrations and examinations. Conference and events income also grew, due to the success of the Tax Technology Conference. Standard operating costs such as examination delivery and staff costs grew in line with inflation. The 2025 expenditure includes one off items relating to a provision for dilapidations charges on the renovations to the Monck Street headquarters, the asset write off relating to the lease enhancement of the historic lease at the Monck Street headquarters, and the outcome of a strategic review of overseas qualifications delivery.

After the net gain on investments of £372,000 (2024: net gain £517,000), the net income for the year is a surplus of £662,000 (2024: £272,000).

Total income for the year was £12,136,000 which is an increase of £834,000 over last year (2024: £11,302,000). The increase in income came primarily from membership subscriptions, student registration and examination fees, and conferences and events. Membership income was £7,581,000 (2024: £7,109,000), income from student registrations & examination fees was £3,130,000 (2024: £2,882,000), income from conference and events was £492,000 (2024: £373,000) and investment income was £253,000 (2024: £336,000).

Expenditure for the year amounted to £11,846,000 (2024: £11,547,000), an increase of £299,000 compared to 2024. During the year, the Monck Street head office lease was renegotiated to reduce the office space. The expenditure includes an addition to the dilapidations provision of £126,000, and a non-recurrent fixed asset write off relating to the historic lease enhancements and fixtures and fittings of £179,000. The operational expenditure increase was therefore £255,000.

The value of investments at the end of 2025 increased, providing realised gains of £20,000, unrealised gains of £352,000, an overall gain of £372,000 (2024: realised gains of £82,000 and realised losses of £92,000 offset by unrealised gains of £527,000, netting to gains of £517,000.

General funds at the end of the year amount to £10,771,000 (2024: £10,109,000). Total funds at the end of 2025 amount to £10,789,000 (2024: £10,127,000).

The Institute continues to share staff and other administrative resources with the Association of Taxation Technicians which enables both organisations to benefit from economies of scale.

Membership numbers increased during the year to 20,564 at the end of 2025 (2024: 20,193).

The CIOT has reserves standing at £10,789,000 at 31 December 2025. These reserves have been built-up over the years to provide financial stability for the Institute to continue its charitable purposes in adverse circumstances and to support the Trustees' strategic objectives. The financial assets held by CIOT can be readily converted into cash.

The financial statements are prepared on a going concern basis, as the Trustees are satisfied that there is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future.

Investments

The valuations of CIOT investments increased over the year with net gains of £372,000 (2024: net gains of £517,000).

The Institute's primary reasons for investing is to ensure that sufficient funds are available to meet the required levels of reserves; to seek to maintain the real value of capital in those funds; and for those funds to provide a source of income to contribute towards the costs of its charitable activities. The Institute's powers of investment are set out in the Royal Charter which provides that funds not immediately required for any of the Institute's objects may be invested in such a manner as is prescribed in the Byelaws. The Byelaws provide wide-ranging investment powers.

The Finance Committee carries out regular reviews of its investments and their performance with the investment managers. This is to ensure that invested funds are sufficient to meet the obligations identified in the Institute's strategic plans.

Council has not placed any specific ethical restrictions on investments but requires that its investment managers have comprehensive and integrated environmental, social and governance screening processes as a fundamental part of their investment decision-making, and that these are acceptable to Council.

We have made it clear to our investment managers that we take any risk to the CIOT's reputation very seriously and that this should always inform their investment decisions.

Reserves

The Trustees regularly review the charity's needs for reserves in line with the guidance issued by the Charity Commission and assess the risks involved in the activities of the Institute. They agreed that the purpose of its reserves policy should be to provide financial stability and the means for the development of the Institute's principal activity. During the year the Trustees introduced a fourth category of reserve to provide greater transparency regarding the purpose of the reserves. The four categories of reserve and their respective target levels are:

- The Working Capital Reserve: equal to two months of the Institute's budgeted annual operating expenditure, providing a target of £1,504,000.
- The Specific Reserve for future funding of the Taxation Disciplinary Board: £300,000.
- The Risk Reserve: equal to 75% of the budgeted annual amount of the principal sources of income of the Institute, namely its membership subscription income and its income from its education activities, providing a target of £8,522,000.
- The Strategic Reserve: No defined target, designation value to be determined through designation governance process.

The Working Capital Reserve provides funds for the normally expected fluctuations in the operating result and cashflow of the Institute, including financing for capital expenditure to maintain the Institute's operating capacity at its current capability.

The Risk Reserve provides a general reserve for the funding of the potential future effect of the adverse strategic risks to which the Institute is exposed.

The creation of the Strategic Reserve enables funds to be designated for future strategic developments, separating future investments from standard operating expenditure.

The total target for reserves at 31 December 2025 was £10,226,000. The actual reserves at the year-end amounted to £10,789,000. This is a surplus of £563,000 representing 6% of the reserves target.

Branches

The CIOT/ATT branches have a consolidated surplus of £10,000 (2024: deficit of £139,000) before central costs. Branches have continued their important role for members, and we regularly review the support provided to branches and the finance team at Head Office has responsibility for the branches' accounting.

Controls

Controls and systems are reviewed by CIOT management and are updated as necessary, in agreement with the Audit & Risk Committee, to ensure that appropriate support, control and best practice are achieved.

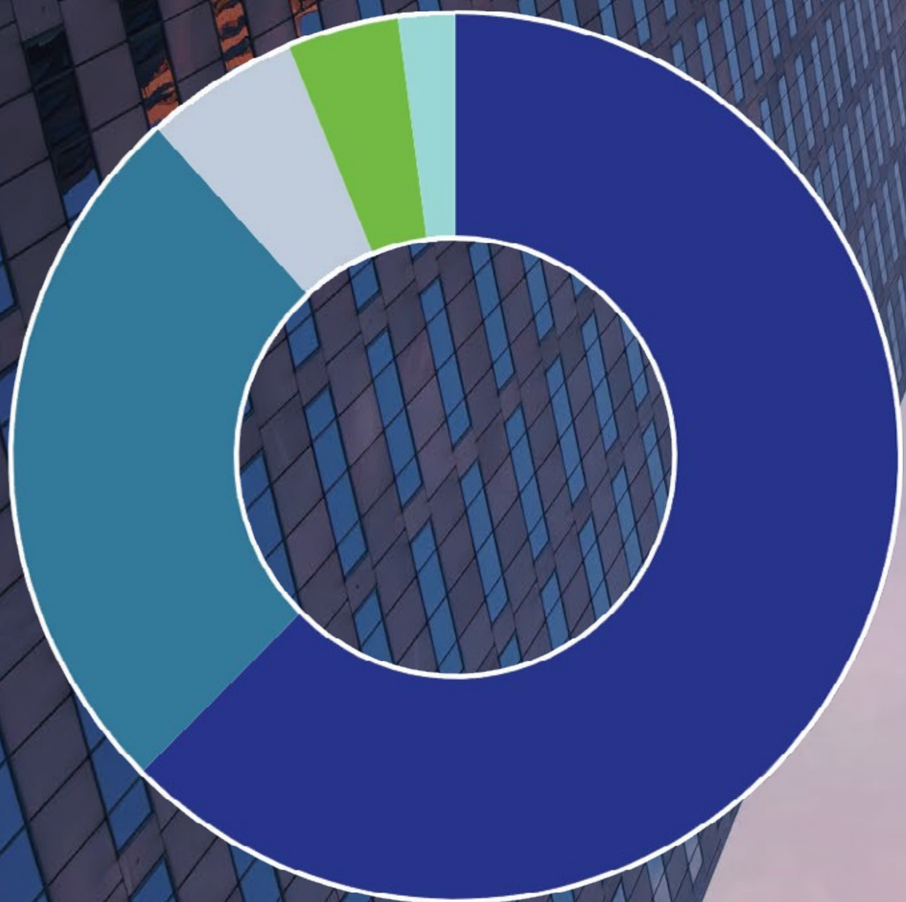
Chair of Finance Committee
Mobeen Ismail

Chief Finance Officer
Vicky Hilpert

Financial Controller
Linda Mensah

Income

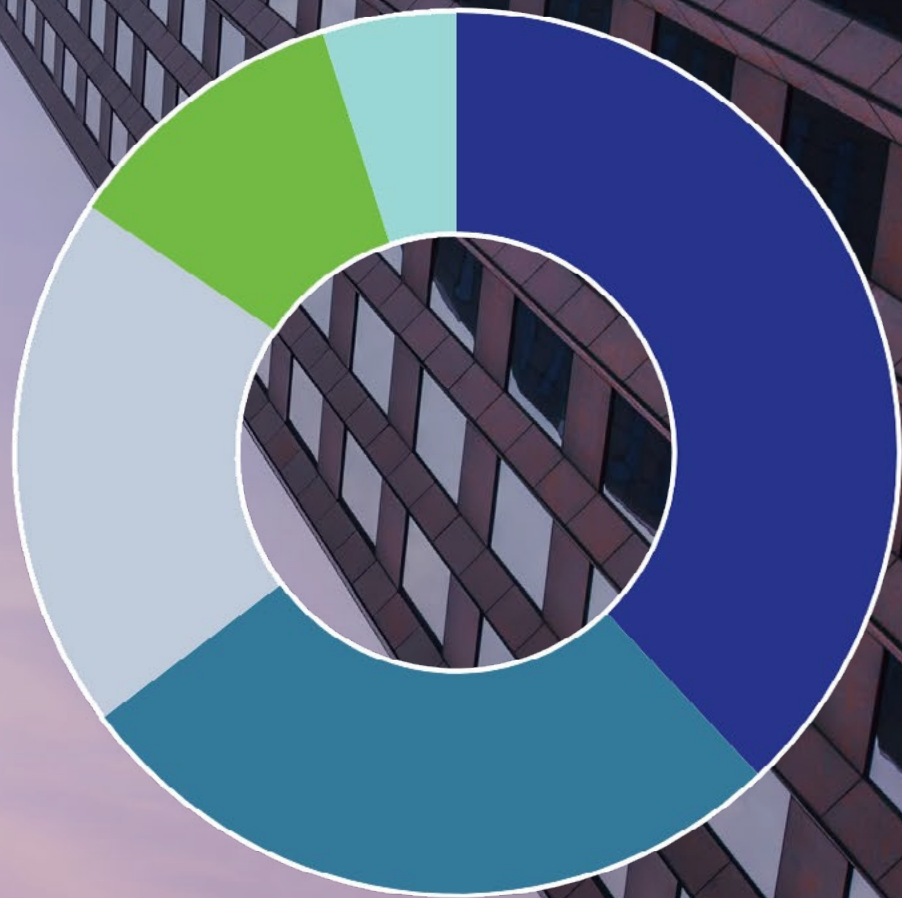
2025 £12,136,000
2024 £11,302,000



- Membership subscriptions - £7,581,000
- Student registrations and exam fees - £3,130,000
- Income from other charitable and trading activities - £680,000
- Conference and event fees - £492,000
- Investment income - £253,000

Expenditure

£11,846,000 2025
£11,547,000 2024



- Education and student services - £4,502,000
- Public policy - £3,170,000
- Member services - £2,330,000
- Regulation and compliance - £1,262,000
- Other expenditure - £582,000

Equality, diversity and inclusion

Report from the joint CIOT/ATT Equality, Diversity and Inclusion (EDI) Committee

In 2025 we continued work on our EDI Strategy (2022–2026). This work has been supported by ATT and CIOT senior leadership and is overseen by the EDI Committee and by our independent chair.

The committee met four times during the year, during which it continued work towards meeting the five goals contained in the strategy that aim to support a positive EDI culture within our organisations. The goals and strategy can be found on our website.

Goal 1: Developing an inclusive environment

The annual training session for trustees, which included a dedicated EDI workshop, covered the strategic importance of diversity within charities and membership bodies. Topics covered included legal developments under the Equality Act and strategies for fostering an inclusive culture at board-level. This ensured trustees were equipped with insights to support equitable decision-making and promote best practice in EDI.

The recruitment process for a new independent chair of the committee and CIOT's lay representative involved advertising the vacancy across a diverse range of media, and the application of a documented process, including a standard redaction policy to help reduce unconscious bias. Applications were assessed against a defined scoring framework and anonymously scored to produce a shortlist.

We continue to foster a positive working environment for our employees. Our Annual Employee Opinion Survey attracted high levels of staff engagement, who responded positively to questions on the culture of inclusivity and diversity across CIOT and ATT. Among the findings were that 92% of respondents said everyone was welcome at CIOT/ATT regardless of background and 89% felt that they are treated fairly and with respect.

For the third consecutive year, our organisations received the Outstanding Workplace Award from People Insight, a global employee survey consultancy.

Goal 2: Embed EDI values in our work

Our events team continue to ensure our events are attractive to as wide a range of people as possible through a mix of in-person, online and hybrid events. Venues are reviewed to ensure they meet our accessibility requirements and where possible, we work to ensure that our speakers and panellists come from a diverse talent pool.

The revised Charity Governance Code was updated in November 2025. Some of the decisions taken because of the code's refresh include that Council papers are now required to include EDI impact statements and future presidents will undergo mandatory EDI training. The committee also reviewed the CIOT trustee recruitment process which has led to improvements to reduce unconscious bias.

Our inclusive language guide was updated twice in 2025. Future reviews have been scheduled on a three-year cycle, unless legislative, legal or best practice requirements necessitate an earlier review. We made improvements to our websites, including Tax Adviser, to improve navigation and make content clearer and more accessible. Our organisations continue to maintain a shared corporate inclusion calendar to help avoid scheduling major meetings on key cultural or awareness days where possible.

Goal 3: Build an inclusive membership base

The results of our second member/student EDI survey found that the spread of our members is increasing across the UK, with slightly less concentration than before in London and the South East.

Other findings showed that the gender balance of our members is roughly equal, while there has been a notable increase in the proportion of students from an Asian or Asian-British background (from 15% to 20%). To better capture diversity data, we have started work on an upgrade to our member portal. This is due to be completed in 2026.

The survey also told us that our students are more likely to advise us if they have a mental health condition such as anxiety or depression and that, compared to 2022, members and students are more likely to report negative experiences related to their employment, such as a lack of promotion or salary progress.

Nearly 1 in 6 CIOT and ATT students said that they have experienced inappropriate behaviour in the workplace that communicate negative attitudes towards specific groups. This is less prevalent compared to our first survey in 2022.

Around 50% of CIOT and ATT members are aged between 45 and 64 and two-thirds of students are under the age of 35. Ageism is reported as an issue among our youngest students and middle-aged members, indicating a need to consider better awareness and intergenerational training.

Goal 4: Inspire the next generation

Our organisations continue their outreach to employers, tutors and schools to promote careers in tax. One area of focus is on developing relationships with universities across the UK to raise awareness of our qualifications with students studying tax modules as part of their degrees.

In 2025, prizes were sponsored for students at Newcastle and Northumberland universities, and a scheme has been agreed with Cardiff and Swansea universities. Further work is planned for 2026.

As part of Neurodiversity Week, more than 700 people registered to attend a CIOT/ATT webinar on ADHD and the tax profession. A dedicated working group will be set-up in 2026 to consider many of the issues explored in the webinar. Neurodiversity was also considered as part of the CTA qualification review.

Goal 5: Be thought leaders for the profession

We continue to emphasise the importance of an inclusive tax profession through articles in Tax Adviser magazine. We have featured profiles of students and members in the magazine and have continued to promote the CTA qualification at a range of external events.

External engagement

In addition to working towards the five aims of our strategy, the EDI committee welcomed external speakers to share best practice and broaden its understanding of EDI issues affecting the tax profession.

In May, the committee welcomed speakers from Blick Rothenberg, who spoke about social mobility and inclusion. This meeting was also attended by the Worshipful Company of Tax Advisers, who gave a presentation on education initiatives, their school outreach activity and funding available to support students.

In November, representatives from HMRC gave a presentation on their customer support as well as the roll-out of the Making Tax Digital initiative and the plans being put in place to support accessibility.

The committee is grateful for the time, effort and expertise that has been shared and further external engagement is planned for 2026.

Committee changes

There were a number of committee changes in 2025. We were pleased to welcome Paul Bartlett, Heather Hill and Kaila Engelsman to the committee and thanked Waris Butt, Reshma Johar (vice chair) and Sofia Thomas for their contributions as they left the committee.

After three years as our independent chair, Olayinka Iwu stepped down from the committee at the end of 2025. Following an external recruitment process, we are pleased that Sharon Spice will join as our new independent chair from February 2026.

We thank Olayinka for her time and dedication, which has allowed the committee to make significant progress towards meeting the targets set in our EDI strategy.

The appointment of Sharon comes as the committee prepares to review its action plan and identify new priorities for the coming year, which is expected to include a focus on social mobility.

Chair of EDI Committee
Olayinka Iwu (to December 2025)

Chief Executive
Helen Whiteman

Reference and administrative information

(at 15 April 2026)

President
Nichola Ross Martin CTA (Fellow) FCA (2017)

Deputy President
Paul Aplin OBE BSc FCA CTA (Fellow) (2017)

Vice-President
John Barnett MA (Oxon) CTA (Fellow) TEP Solicitor (2014)

Immediate Past President
Charlotte Barbour MA CA CTA (Fellow) (2019)

Other Members of Council

Susan Ball* CTA (Fellow) ATT (2017)
Jo Bello LLB CTA (Fellow) ATT (Fellow) (2021)
Alistair Cliff BSc BEng FCA CTA (Fellow) (2024)
Sarah Hewson LLB CTA (Fellow) ATT (2021)
Mobeen Ismail BSc CA CTA (Fellow) (2021)
Nikhil Mehta LLB, Barrister CTA (Fellow) (2018)
Peter Rayney* CTA (Fellow) FCA TEP (2016)
Jonathan Riley CTA (Fellow) (2017)
Christopher Shrubsole BSc Exec MBA CTA (Fellow) (2021)
Xiaoshan Sun MSc CA CTA (Fellow) (2024)
Sofia Thomas MSc (Oxon) CTA (Fellow) (2024)

Year of appointment to Council shown in brackets.

* indicates Past President

Public Interest Representative
Anna Corbett (from February 2026)

Senior Management Team

Chief Executive
Helen Whiteman BA MSc PGDip

Director of Education
Vicky Purtill BA LLM (Public) MBA

Chief Finance Officer
Vicky Hilpert ACMA

Director of Public Policy
Ellen Milner MA (Oxon) PGCert CTA (Fellow)

Director of Governance (Institute Secretary)
Rosalind Baxter BA ACIS

(L-R, Paul Aplin, Nichola Ross Martin, John Barnett)

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

Committees of Council

Officers Group
Chair | Nichola Ross Martin
Deputy Chair | Paul Aplin

Audit & Risk Committee (Joint CIOT/ATT)
Chair | Fiona Wilkinson

Diploma in Tax Technology Committee
Chair | Paul Aplin

Education Committee
Chair | Jane Frecknall Hughes
Vice-Chair | Chris Shrubsole

Equality, Diversity & Inclusion Committee (Joint CIOT/ATT)
Chair | Sharon Spice

Examination Committee
Chair | Jo Bello
Vice-Chair | Peter Coulthard

Finance Committee
Chair | Mobeen Ismail

Membership & Branches Committee
Chair | Sofia Thomas

Nominations Committee
Chair | Jonathan Riley

Professional Standards Committee (Joint CIOT/ATT)
Chair | Dhruti Shah
Vice-Chair | Ele Theochari

Technical Committees

Technical Policy and Oversight Committee
Chair | Charlotte Barbour
Vice-Chair | Adrian Rudd
Vice-Chair | Helen Adams

Scottish Technical
Chair | Sean Cockburn
Vice-Chair | Melanie Wilson

Welsh Technical
Chair | Ritchie Tout

Corporate Taxes
Chair | Adrian Rudd
Vice-Chair | Chris Lallemand

Employment Taxes
Chair | Eleanor Meredith
Vice-Chair | Simon Adams
Vice-Chair | Sarah Hewson

International Taxes
Chair | David Murray
Vice-Chair | Lisa Shipley

Management of Taxes
Chair | Matthew Bridger

Owner Managed Business
Chair | Pete Miller
Vice-Chair | James Geary
Vice-Chair | Jitendra Patel

Private Client (International)
Joint Chair | Emma Chamberlain
Joint Chair | Giles Clarke
Vice-Chair | Michelle Robinson

Private Client (UK)
Chair | Vacant
Vice-Chair | David Mellor

Property Taxes
Chair | Leigh Sayliss
Vice-Chair | Caroline Fleet

Indirect Taxes
Chair | Gabby Donald

Digitalisation and Agent Services
Chair | Alison Kerrey
Vice-Chair | Andrew Jackson

Connected Charity

Association of Taxation Technicians
30 Monck Street
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SW1P 2AP

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UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
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Investment Advisers
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Killik & Co LLP
46 Grosvenor Street
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Structure, governance and management

The original Institute of Taxation was founded in 1930 and was registered as a charity in England and Wales in 1982 (1037771). Following the granting of its Royal Charter in 1994, the governing documents of the Institute are the Charter and its byelaws.

Governance

The Institute operates within the terms of its Charter, byelaws and regulations, and its management is under the control of the Council of the Institute. Good governance and leadership are essential for the success of the Institute. All Council members are trustees of the Institute.

In July 2021, Council formally resolved to adopt the Charity Governance Code for Larger Charities (the Code) and is committed to the good governance principles and outcomes it promotes. The Institute, under the apply or explain basis of the Code, reports the following deviations to the Code:

- 5.6.2 The current size of Council is 15, slightly in excess of the suggested limit of 12 members recommended in the Code. The board size ensures a comprehensive representation of our membership and reflects the diverse interests of our stakeholders. This inclusivity allows for better decision-making, enhancing our ability to address specific needs and challenges. Council has agreed that 20 to 25 Council members are needed, but no new Council members will be appointed unless a clear skills gap or need has been identified. To maintain board efficiency, there are specialised committees to handle detailed work, enabling Council to focus on strategic issues. Additionally, meetings are structured with well-defined agendas and time allocations to keep discussions focused and productive.

Council thoroughly considers and justifies all deviations from the Code. This demonstrates our commitment to upholding the principles of good governance, transparency and accountability.

We continuously review our governance to ensure alignment with the Code and best governance practices, helping to safeguard the interests of all our stakeholders.

- 5.7.4 Following the AGM, five Council members will have served a term of over nine years. The succession plan in place will ensure no future Council member serves a term of more than nine years.

The publication of the revised Charity Governance Code in November 2025 introduced a refreshed framework built around eight principles, including a new Foundation Principle, and strengthened expectations relating to ethics, culture, trustee behaviours and decision making processes.

As part of its wider governance programme, Council will undertake an evaluation of the updated code in the coming year to assess the implications for the Institute's governance arrangements and identify any areas requiring improvement. This planned review will build on the organisational learning already generated through the 2023 external board review by Leading Governance, much of which was implemented during 2024/2025, with reasons documented for those recommendations not taken forward.

The register of interests for Council members, the Lay Representative and senior staff are available on the Institute's website www.tax.org.uk/about-us/council.

Council and Officers Group

Council comprised 15 trustees at the end of 2025 (2024: 18), providing a wide range of skills and experience. The members of staff who attend all Council meetings are the Chief Executive, Director of Education, Director of Public Policy, Chief Finance Officer, Director of Governance and Governance Officer. All their roles are separate and clearly defined. Other staff members attend for specific items when required.

Council considers that its members are independent and that no individual, or small group of individuals, can dominate Council decisions. Council has a formal agenda of matters specifically reserved to it for decision in accordance with article 5(3) of the Royal Charter. Council met six times in 2025 to deal with trustee business, review financial performance, strategy and risk. Council members achieved an overall attendance rate of 79% (2024: 85%). There were two extra meetings in comparison with 2024.

The Officers Group of Council comprises the CIOT President (Chair), Deputy President, Vice-President, Vice-President elect, Immediate Past-President, ATT President, CIOT Chief Executive, Director of Education, Director of Public Policy, Chief Finance Officer and Director of Governance.

The Officers Group met eight times in 2025 to deal with day-to-day executive matters including reports from Institute executives. Overall attendance was 69% (2024: 89%).

In compliance with Council Regulation 10.9, Council members and other Standing Committee Members are required to make declarations of interests at meetings which might give rise to a conflict of interest or influence their vote on a resolution.

All members have access to internal advice and can access independent professional advice, such as legal or financial advice, at the Institute's expense if needed for Council, or Council members, to effectively discharge their duties. Trustee training is provided for new and existing Trustees and refreshed every year. New Council members are paired with an existing member to help and assist as required.

Election to Council

Recruitment is via an open process overseen by the Nominations Committee. Vacancies are advertised in Tax Adviser, CIOT conferences, the weekly members' email and social media to attract CTAs with a diverse range of viewpoints and backgrounds.

Potential new Council members, who must also be Institute members (Byelaw 5 (5)), are selected for what they can contribute to the Institute and must sign a declaration that they are not disqualified from acting as a Trustee. The Nominations Committee supports the recruitment process by interviewing and recommending candidates, and by considering issues relating to succession planning. In early 2026 a skills and diversity audit of Council will be undertaken to inform a trustee recruitment process in 2026.

Election is by members of the Institute at the Annual General Meeting. Council deals with nominations under Members Regulation 19 (Nominations for Election to Council) and is also responsible for the election of its Honorary Officers.

Audit & Risk Committee

The Audit & Risk Committee is an independent joint committee of the Councils of CIOT and ATT. Members are appointed by both Councils and comprise a serving member of each, a nominee from each of CIOT/ATT and two other independent members. The Chief Finance Officer, Chair of CIOT Finance Committee, ATT Honorary Treasurer, CIOT Chief Executive, ATT Chief Executive, Director of Education, Director of Public Policy, Director of Governance and Financial Controller attend the meetings.

Members of the committee receive no remuneration for their services, operate independently from the Council, have either an accountancy or taxation qualification, and recent and relevant experience.

The committee acts a catalyst in relation to matters affecting the Institute's financial controls, reporting requirements and risk management. It is authorised to seek any information it requires from members of the Council, external auditor and staff.

In this role it:

- Reviews financial control policies and their practical implementation.
- Examines budgets and management accounts.
- Considers changes in the external environment and the procedures used to respond to them.
- Oversees the risk management process at a strategic level.

It has a specific responsibility for the Institute's relationship with the external auditors, attending the audit planning and closure meetings, and has private meetings with the auditors as necessary.

The committee reviews the audit strategy document, ensuring all recommendations made by the auditors by way of their management letter receive attention and action. It met three times in 2025, requesting and receiving reports from management and the external auditor. It considers a wide range of audit-related subjects, reports directly to Council and comments on perceived weaknesses. No major weaknesses in internal control systems have been identified. Areas for discussion and review in 2025 included an annual tax compliance audit, international tax and legislation changes and alternative banking facilities.

Risk Management

It is Institute policy for staff and volunteers with a detailed knowledge of how CIOT operates to:

- Regularly review areas of uncertainty throughout the Institute.
- Develop mitigation strategies.
- Take action to mitigate all risks that would otherwise prevent the Institute from achieving its charitable objectives.

The strategic risk register is presented to Council and the Audit & Risk Committee quarterly. Key risks are grouped under headings which are: reputation, education, governance, regulation, influence, competition, and partnership working. Operational risks are also captured on the register and regularly compared with the ATT.

Two key risks are:

- Employers no longer seeing the CTA qualification as relevant to their business so withdrawing their support.

A review of the CTA qualification involving a wide range of stakeholders, which began in 2024, continued throughout much of 2025. A revised qualification handbook, including syllabus grids, was published on the website, to take effect from 2028. See page 22 for more details.

- Retention of members.

Mitigation includes demonstrating the Institute's authority and prestige by playing a leading role in the key issues in tax affecting the public and the profession. Members in practice are involved in all our activities from setting exams, engaging with government, holding each other to account for compliance with our professional rules (including the anti-money laundering regulations), and overseeing the management of the organisation.

Council Members' Remuneration

Council members receive no remuneration for their services as trustees, although travel and subsistence costs are reimbursed when undertaking Institute business.

Internal Controls

The responsibilities of the Council and Auditor in connection with the financial statements are shown on pages 45-48. The Council Statement on going concern is set out on page 52.

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

The Charities Governance Code emphasises the importance of maintaining and regularly reviewing financial controls, performance reporting, and policies and procedures, with Council periodically taking steps to assure itself of their 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 provide reasonable and not absolute assurance against material misstatement or loss.

Quarterly management accounts are presented at Council meetings and measured against both budget and interim forecasts. A clear organisation structure with defined authority limits has been established. Council keeps under review the need for internal audit at the Institute.

Data Protection

The Institute complies with data protection legislation, using up to date industry procedures to keep personal data as safe and secure as possible and to protect against loss, unlawful processing, unauthorised disclosure or access. The Institute also retains an independent GDPR consultant to provide updates, advice and training.

Staff and Volunteers

Council recognises building and developing skills, competencies, teamwork and employee motivation is key to achieving CIOT's charitable aims.

CIOT employees are responsible for operational matters, supporting the CEO in matters delegated in the Scheme of Delegation. To support this, the Institute relies on the commitment and positive support of volunteers. All staff, except the Chief Executive and the CIOT Lay Representative, who are employed by the Institute, and the Chief Executive of the Association of Taxation Technicians (ATT), who is employed by the ATT, are jointly employed by CIOT and the ATT (the CIOT's connected charity, registered in England & Wales, 803480), with whom we have a Service Level Agreement.

The average number of employees in the year was 99.75 (2024: 94.75). At 31 December 2025, the total number of employees was 101, with 34 part-time and 67 full-time (2024: 95 employees). 73 staff members are female (72.3%) and 21 (20.8%) come from an ethnic minority background.

During 2025 we continued our focus on employee wellbeing with quarterly London-based all-staff events including wellbeing and learning days. Our employee engagement survey had an 84% completion rate and an engagement score of 90%. As a result, we achieved the "Outstanding Place to work" award from People Insight, a global employee survey consultancy, for the third year running.

Institute members and students are encouraged to become involved in Institute activities. There are over 700 volunteers on Council, standing committees, technical committees, subcommittees, branches and working parties (2024: 750). The Institute is grateful not only for their generous input but also to their firms who may ultimately bear the financial cost, including those members who are self-employed. An estimated 16,650 volunteer hours were provided in 2024 (2024: 18,350). A member of staff seconded to the Institute from HMRC contributed an estimated 910 hours.

IT

We continue to make significant progress in improving the efficiency and effectiveness of our business operations through targeted investment in our IT infrastructure, with IT security remaining a core priority across our technology strategy.

Our information security approach is built around layered technical controls to protect systems, data, and users from evolving cyber threats. This includes robust network and endpoint security, identity and access management, regular vulnerability assessments, and proactive patch management, supported by continuous monitoring and incident response capabilities.

As part of this work, we have strengthened our cybersecurity framework by transitioning from a WatchGuard firewall to a Meraki cloud-based solution. This upgrade enhances protection for on-site and remote users, improving visibility, threat mitigation, and overall resilience. As our digital transformation continues, we remain focused on aligning our security with recognised industry best practices to ensure the ongoing protection of our systems and data.

Health and Safety

The nature of CIOT's activities means employees and volunteers do not encounter many workplace hazards. As a responsible employer, the health, safety and wellbeing of staff receives ongoing management attention to ensure a safe working environment. A general policy statement of health and safety at work is included in the Employee Handbook and was updated in 2024 with the Health and Safety Committee's support. Ongoing responsibilities include assessment and management of areas of exposure, organisational and remote workers' risk assessments, first aid, issuing and displaying statutory information and increasing employee awareness of their role in maintaining a safe environment.

During 2025 we continued to support staff through access to counselling, private GP and medical services; a range of wellbeing online resources and seminars; and reasonable adjustments. We also remodelled the office, in line with employee feedback and our changing needs, to reflect current staff wellbeing and productivity needs and enhanced the security systems and fire protection while doing so.

Safeguarding

The Safeguarding Focus Group members are all Mental Health First Aiders.

Equality, Diversity and Inclusion

The Institute is committed to providing equal opportunities to job applicants, staff, students and volunteers regardless of sex, sexual orientation, marital status, age, race, ethnicity, religion or belief or disability. The Institute seeks to conduct its activities in full adherence to all applicable laws prohibiting discrimination in employment or service provision, and to develop and maintain a diverse workforce of staff and volunteers. All new employees undergo diversity and unconscious bias training as part of their induction.

Nominations Committee

The committee is responsible for recommending candidates for Council and Lay Representative appointments following interviews, conducting skills and diversity audits, drafting role descriptions, and collaborating with the Equality, Diversity and Inclusion (EDI) Committee to broaden the recruitment pool for Council appointments.

In 2025, three meetings were held with an attendance rate of 86%. Key matters considered included the recruitment of a Lay Representative, succession planning for committee membership and the review of the Council member recruitment process.

The committee worked closely with the EDI Committee on the Council member recruitment process and diversity questions for a future Council skills and diversity audit to ensure that recruitment processes reflect the Institute's commitment to equality, diversity and inclusion.

Council reviewed and amended the committee's Terms of Reference in 2025 to clarify responsibilities between Council and the committee regarding Council member recruitment and the conduct of skills and diversity audits.

The Council Lay Representative, Krzysztof Mikata-Pralat completed his three-year term of office in September 2025. This role provides an independent voice contributing to the decisions of Council, governance and boardroom best practice.

Following a competitive recruitment process that attracted 63 applications, the Committee recommended the appointment of Anna Corbett as Lay Representative on Council. The recommendation was approved by Council in December 2025 and Anna will attend meetings from February 2026.

Environment

The Institute continues to strengthen its approach to environmental sustainability. Over the past year, we have taken steps to better understand and reduce our environmental impact, with work underway to align our activities with our long term ambition to significantly reduce carbon emissions by 2030. A major contributor to this progress has been the reduction of the physical footprint of our London office by approximately half, supporting more efficient use of space and lowering the environmental impact associated with our operations. Although the Institute's overall emissions remain relatively low, the Institute remains committed to embedding responsible environmental practices across the organisation.

CFE Tax Advisers Europe

During 2025 we reviewed our European activities, taking the decision to end our membership of CFE Tax Advisers Europe. The decision partly reflects CFE's focus on engagement with European Union (EU) institutions and policy-making processes, which have become less relevant to CIOT following the UK's departure from the EU. CIOT's European engagement will continue via our European Branch, technical committees and the one-to-one relationships between CIOT and CFE member bodies. CIOT is proud to have been a founding member of CFE and wishes the organisation well for the future.

Fundraising

The CIOT does not raise funds for itself through asking for public donations in any form.

Statement of Council members' responsibilities / Statement of disclosure to the auditor

Statement of Council members' responsibilities

Council members, as trustees of the Institute, are responsible for preparing the Annual Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its income and expenditure 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 accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 proper accounting records that 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. 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.

Statement of disclosure of information to the Auditor

The trustees who are in office on the date of approval of these 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 trustees has confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report was approved by Council on 15 April 2026.

By order of the Council.

Rosalind Baxter
Director of Governance

Independent auditors' report

Independent auditors' report to the trustees of the Chartered Institute of Taxation

Opinion on the financial statements

We have audited the financial statements of the Chartered Institute of Taxation (the 'Charity') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, the 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 by 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 Charity's affairs as at 31 December 2025 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Council (who are the Trustees of the Charity for the purpose of Charity law) with respect to going concern are described in the relevant sections of this report.

Other information

Council is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' 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. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in Council's annual report is inconsistent in any material respect with the accounts;
- sufficient accounting records have not been kept;
- the accounts are not in agreement with the accounting records or returns, and;
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Council members' responsibilities statement, the Council 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 Council determines 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 Council is responsible for assessing the Charity'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 Council either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Non-compliance with laws and regulations

Based on:

- our understanding of the Charity and the sector in which it operates;
- discussion with management and those charged with governance, including the Audit & Risk Committee; and
- obtaining an understanding of the Charity's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), Charities Act 2011 and UK and international tax legislation.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Health and Safety Act 1974, Data Protection Act 2018, Employment Rights Act 1996, and the Bribery Act 2010.

Our procedures in respect of the above included:

- review of financial statement disclosures and agreeing to supporting documentation;
- review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the Charity's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be to be journals and key estimates and judgements.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates and judgements made by management for bias, including the recognition of provisions and allocation of support costs;
- testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Council 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 Charity and the Charity's Council as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

20 April 2026

Financial statements

Statement of financial activities for the year ended 31 December 2025

	Note	Restricted Funds 2025 £'000	Unrestricted Funds 2025 £'000	Total Funds 2025 £'000	Restricted Funds 2024 £'000	Unrestricted Funds 2024 £'000	Total Funds 2024 £'000
Income from:							
Donations and legacies	3a	0	36	**36**	0	35	**35**
Charitable activities	3b	0	11,816	**11,816**	0	10,887	**10,887**
Other trading activities	3c	0	31	**31**	0	44	**44**
Investments	3d	0	253	**253**	0	336	**336**
Total Income		0	12,136	**12,136**	0	11,302	**11,302**
Expenditure on:							
Raising funds	3e	0	43	**43**	0	41	**41**
Charitable activities	3e	0	11,803	**11,803**	0	11,506	**11,506**
Total expenditure		0	11,846	**11,846**	0	11,547	**11,547**
Operating gain / (loss)		0	290	**290**	0	(245)	**(245)**
Net gain on investments	7	0	372	**372**	0	517	**517**
Net income and net movement in funds		0	662	**662**	0	272	**272**
Reconciliation of funds							
Total funds brought forward at 1 January	14	18	10,109	**10,127**	18	9,837	**9,855**
Total funds carried forward 31 December	14	18	10,771	**10,789**	18	10,109	**10,127**

The above results are derived from continuing activities and all gains and losses recognised in the year are included above. The notes on pages 52-65 form part of these financial statements.

Financial statements

Balance sheet as at 31 December 2025

	Note	2025 £'000	2024 £'000
Fixed Assets:			
Tangible assets	5	482	339
Intangible Assets	6	631	695
Investments	7	6,743	6,125
Total Fixed Assets		**7,856**	**7,159**
Current Assets:			
Stock	8	99	117
Debtors	9	1,993	1,588
Cash at bank and in hand	10	5,869	6,365
Total Current Assets		**7,961**	**8,070**
Liabilities:			
Creditors: falling due within one year	11	(4,562)	(4,331)
Net Current Assets/(Liabilities)		**3,399**	**3,739**
Total assets less current liabilities		11,255	10,898
Creditors: amounts falling due after more than one year	12	(255)	(237)
Provisions for liabilities	16	(211)	(534)
Net Assets		**10,789**	**10,127**
Funds of the charity:			
Restricted	14	18	18
Unrestricted	14	10,771	10,109
Total Funds		**10,789**	**10,127**
Approved and authorised for issue by the Council on 15 April 2026 and signed on its behalf by:			

Nichola Ross Martin
President

Vicky Hilpert
Chief Financial Officer

Helen Whiteman
Chief Executive

The notes on pages 52–65 form part of these financial statements.

Financial statements

Statement of cash flows for the year ended 31 December 2025

	2025 £'000	2024 £'000
Net cash provided by operating activities (Table A)	**149**	**1,740**
Cashflow from investing activities		
Dividend and interest from investments	253	336
Movement on term deposits	0	485
Purchase of tangible fixed assets	(436)	(72)
Purchase of intangible fixed assets	(216)	(104)
Proceeds from sale of investments	1,245	1,873
Purchase of investments	(1,491)	(1,607)
Net cash (used in) / provided by investing activities	**(645)**	**911**
(Decrease) / increase in cash and cash equivalents in the year	**(496)**	**2,651**
Cash and cash equivalents at 1 January	**6,365**	**3,714**
Cash and cash equivalents at 31 December (Table B)	**5,869**	**6,365**
Table A		
Reconciliation of net income to net cashflow from operating activities		
Net income as per Statement of Financial Activities	662	272
Adjustments for:		
Depreciation charge for the year	114	98
Amortisation charge for the year	280	295
Loss on disposal of fixed assets	179	7
Dividends and interest from investments	(253)	(336)
Gain on investments	(372)	(517)
Decrease / (increase) in stock	18	(54)
(Increase) / decrease in debtors	(405)	928
Increase in creditors	231	513
(Decrease)/Increase in provisions	(323)	534
Increase in creditors (long term)	18	0
Net cash provided by operating activities	**149**	**1,740**
Table B		
Analysis of cash and cash equivalents		
Cash at bank	802	449
Notice deposits (less than 3 months)	5,067	5,916
Total cash and cash equivalents	**5,869**	**6,365**

Analysis of changes in net debt	At 1 January 2025 £'000	Cash flows £'000	At 31 December 2025 £'000
Cash	6,365	(496)	5,869
Total	**6,365**	**(496)**	**5,869**

The notes on pages 52–65 form part of these financial statements.

Notes on financial statements

1. General Information

The Chartered Institute of Taxation ("CIOT" / "the Institute") is a charity incorporated by Royal Charter, registered with the Charity Commission for England and Wales (registered charity, England and Wales, 1037771). The CIOT's registered office is 30 Monck Street, London SW1P 2AP.

The principal activities of the Institute are: a professional membership and awarding body for tax advisers; promoting and enforcing standards of professional conduct; working for greater public understanding of tax matters; and providing guidance on tax matters for those unable to afford tax advice.

2. Accounting policies

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

Basis of preparation of accounts

The financial statements are presented in sterling and rounded to the nearest thousand pounds. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) (second edition – October 2019), "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2022) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Chartered Institute of Taxation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements of the Institute for the year ended 31 December 2025 include the results of its Branches, which are not separate legal entities, for the 12 months ended 31 December 2025 (2024: 12 months ended 31 December 2025).

The Association of Taxation Technicians of 30 Monck Street, London SW1P 2AP is a connected charity but it is not subordinate to the Institute and therefore consolidated financial statements have not been prepared. Further information on the relationship can be found in note 20.

Going Concern

As detailed in the Council members' responsibilities statement, the Trustees are required to prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business. The Trustees conclude that the CIOT has sufficient resources to continue in operational existence, and accordingly continue to prepare the accounts on a going concern basis.

Income Recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item 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 50% recognised in the first year and 25% in each subsequent year. This phasing reflects the additional administration costs incurred in the first year of registration.

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 Institute's portfolio of investments is credited on an earnings basis each year.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the funds are met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Grants received by CIOT provided by government and charitable foundations are not conditional on delivering certain levels or volumes of a service or supply of charitable goods, and have been classified as donations and legacies in line with the Charities SORP.

Expenditure recognition

Expenditure is recognised once there is a legal or constructive obligation to make 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 headings:

- Expenditure on raising funds comprises the costs of commercial trading and investment management costs.
- Expenditure on charitable activities includes, but is not limited to, the cost of regulation and compliance, student services, education, governance and grants.
- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Donated services and facilities

In accordance with Charities SORP (FRS 102) 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 43.

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 Institute would be willing to pay or charge to obtain or supply facilities and services on the open market, where the value of the gift can be measured reliably. Corresponding amounts are recognised as income and expenditure in the period.

CIOT is occasionally provided with the use of meeting rooms for Committee meetings by accountancy and taxation firms, where their employee is a committee member. As the Institute would not normally purchase the use of meeting rooms for this purpose, and the value of the donated facilities cannot be measured reliably, these instances have not been recognised as income and expenditure in the accounts.

Significant accounting estimates and judgements

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these include judgements and estimates have been made include:

- Estimating the useful economic life of tangible fixed assets for the purposes of determining a depreciation rate.
- Estimating the useful economic life of intangible fixed assets for the purposes of determining an amortisation rate.
- Estimating the future liabilities associated with the operating lease for the Monck Street office for purposes of determining the dilapidations provision.
- Estimating the carrying value of assets for the purposes of ensuring that this does not exceed their recoverable amount.
- Estimating the recoverability of debtors for the purposes of determining the bad debt provision.
- Estimating global tax obligations for the purpose of determining the tax provision.

The tax provision relates to potential historic liabilities for indirect tax in various jurisdictions throughout the world. As more and more jurisdictions review their tax legislation, CIOT continues to manage the settlement of any liabilities with support from third party tax advisers both in-country and in the UK. The Charity Commission have been informed.

As set out in these accounting policies under "Going Concern", the Trustees have considered that it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Allocation of support costs

Support costs are central administration costs that assist the work of the charity but do not directly undertake charitable activities and are allocated across the categories of charitable expenditure. The basis of the allocation is given in note 3e to the financial statements.

Notes on financial statements

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:

- Leasehold improvements are written off over the remaining life of the lease (10 years).
- Office equipment 25%.
- Intangible assets relating to CRM and accounting system 20%.
- Intangible assets relating to Diploma in Tax Technology 15%.

Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value in use at the reporting date.

Fixed Asset Investments

Investments have been valued at fair value at 31 December 2025. 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/losses in the Statement of Financial Activities.

Stock

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. 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 contribute to an external 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.

Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated to sterling at rates applying at the balance sheet date. Transactions in foreign currencies are recorded at the rate set at the date of the transaction. All differences are taken to the Statement of Financial Activities.

Taxation

The CIOT meets the definition of a charity in Schedule 6 Finance Act 2010 and accordingly is entitled to the exemptions set out in Part II 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.

Operating Leases

The charity classifies the lease of property as an operating lease; the title of the property remains with the lessor and the lease agreement expires in 2028 whilst the economic life of such property typically exceeds this. Rental charges are charged on a straight line basis over the term of the lease.

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. Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors.

Notes on financial statements

3. Analysis of income and expenditure

3a. Income from donations and legacies

	2025 £'000	2024 £'000
Grants receivable	36	35
Total income from donations and legacies	**36**	**35**

The grants received in 2025 were unrestricted. Grants received in 2025 consisted of £8,000 (2024: £0) in support of the Institute's new back to work programme and a government grant of £28,000 (2024: £35,000) relating to the Institute's work in maintaining the content on the website revenuebenefits.org.uk. There were no unfulfilled conditions or other contingencies attaching to the grants that were recognised in income. The Institute did not benefit from any other forms of government assistance during the year (2024: £nil).

3b. Income from charitable activities

	2025 £'000	2024 £'000
Membership Subscriptions	7,581	7,109
Chartered Tax Adviser registration fees and entrance fees	90	51
Student registrations and examination fees	3,130	2,882
Conference and Event fees	492	373
Sale of books and journals	170	161
Anti Money Laundering fees	353	311
Total Income from Charitable Activities	**11,816**	**10,887**

3c. Income from other trading activities

	2025 £'000	2024 £'000
Sponsorship	9	14
Letting office space to other charitable organisations	22	30
Total income from other trading activities	**31**	**44**

Notes on financial statements

3d. Investment income

	2025 £'000	2024 £'000
Dividend income	116	113
Other interest receivable	137	223
Investment Income	**253**	**336**

3e. Breakdown of expenditure

	Direct expenditure £'000	Direct staff costs £'000	Support costs £'000	Grant making activities £'000	Total 2025 £'000
Charitable activities					
Grants payable	0	0	0	79	79
Education and student services	2,255	722	1,525	0	4,502
Members services	1,052	489	789	0	2,330
Public Policy	283	1,813	1,074	0	3,170
Regulation and compliance	320	514	428	0	1,262
Promotion	82	222	156	0	460
Total expenditure on charitable activities	**3,992**	**3,760**	**3,972**	**79**	**11,803**
Raising funds					
Investment management costs	43	0	0	0	43
2025	**4,035**	**3,760**	**3,972**	**79**	**11,846**

	Direct Expenditure £'000	Direct Staff Costs £'000	Support Costs £'000	Grant making activities £'000	Total 2024 £'000
Charitable activities					
Grants payable	0	0	0	94	94
Education and student services	1,732	2,205	3,205	0	7,142
Members services	743	947	1,377	0	3,067
Regulation and compliance	207	264	384	0	855
Promotion	85	107	156	0	348
Total expenditure on charitable activities	**2,767**	**3,523**	**5,122**	**94**	**11,506**
Raising funds					
Investment management costs	41	0	0	0	41
2024	**2,808**	**3,523**	**5,122**	**94**	**11,547**

Management have reviewed the Institute's activities against the charitable objects and has implemented a change in accounting estimation to better reflect the activities of the public policy teams who directly deliver the Institute's charitable purpose. Previously these costs were allocated to support costs, the impact of the change in accounting estimation has reduced support costs by £1,945,000. There has been no change in the basis of allocating remaining support costs.

Notes on financial statements

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

	Total 2025 £'000	Total 2024 £'000
Support costs		
Information technology	1,039	997
Staff costs	1,747	1,982
Operating costs	531	822
Depreciation	114	98
Amortisation	176	295
Property	150	294
Legal and professional fees	157	587
Governance costs		
Auditors' remuneration	19	21
Council meetings (inc. Council member's expenses)	39	25
	3,972	5,121

Grants payable to tax charities, other charities and individuals to help meet the core operating costs of providing free tax advice to persons who cannot afford to pay for professional help or training, original tax research, and to promote public understanding of tax matters:

	Total 2025 £'000	Total 2024 £'000
Tax Advisers Benevolent Fund (registered Charity no. 1049658)	15	15
Tax Aid (registered Charity no. 10622852)	30	30
Tax Volunteers (registered Charity no. 1102276)	30	30
Grants payable to University Students for original tax research	(11)	4
Grant for Journal of Tax Administration	15	15
	79	94

The writeback of grants payable to university students relates to commitments not fully utilised that have been written back.

Notes on financial statements

4. Net income (expenditure) for the year

This is stated after charging/(crediting):	2025 £'000	2024 £'000
Depreciation	114	98
Amortisation	280	295
Net (gains)/losses on investments	(372)	(517)
Operating lease rentals	343	343
Auditors' remuneration:		
• Statutory audit	19	18
Loss on disposal of tangible fixed asset	179	7

5. Tangible fixed assets

	Leasehold Improvements £'000	Office equipment £'000	Total Tangible Fixed Assets £'000
Cost at 1 January 2025	528	920	**1,448**
Additions	381	55	**436**
Disposals	(528)	(621)	**(1,149)**
Cost at 31 December 2025	381	354	**735**
Depreciation at 1 January 2025	(317)	(792)	**(1,109)**
Change for the year	(55)	(59)	**(114)**
Disposals	361	609	**970**
Depreciation at 31 December 2025	(11)	(242)	**(253)**
Net book value at 31 December 2025	370	112	**482**
Net book value at 31 December 2024	211	128	**339**

The Institute exercised the break clause on the lease of the Monck Street head office during 2025, resulting in relinquishing one out of the three units included within the lease. The two units retained have been renovated to provide suitable office facilities within the reduced footprint.

Notes on financial statements

6. Intangible assets

	Software £'000
Cost at 1 January 2025	3,762
Additions	216
Cost at 31 December 2025	3,978
Amortisation at 1 January 2025	(3,067)
Charge for the year	(280)
Amortisation at 31 December 2025	(3,347)
Net book value at 31 December 2025	631
Net book value at 31 December 2024	695

7. Fixed asset investments

	2025 Listed Investments £'000	2024 Listed Investments £'000
Fair value at 1 January	6,125	6,358
Additions at cost	1,491	1,607
Disposal proceeds	(1,245)	(1,872)
Net gains on investments	372	517
Movement on cash/deposits	0	(485)
Fair value at 31 December	**6,743**	**6,125**
Historical cost	**5,878**	**5,512**

Listed investments held at 31 December 2025 comprise the following:		
Fixed interest	505	471
Listed UK equities	528	524
Listed international equities	5,366	4,865
Other assets	344	265
	6,743	**6,125**

All investments are carried at their fair value. Investments in bonds, equities, property, and alternative investments are all traded on quoted public markets. The basis of fair value for quoted investments is equivalent to the market value, using bid price. Asset sales and purchases are recognised at the date of trade at cost (i.e. their transaction value). The significance of financial instruments to the ongoing financial sustainability of the Institute is considered in the financial review and investment policy and performance sections of Council's Report. The main risk to the Institute from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Institute manages these investment risks by retaining expert advisers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Institute does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term total return.

Notes on financial statements

8. Stock

	2025 £'000	2024 £'000
Publications and merchandise	99	117

9. Debtors

	2025 £'000	2024 £'000
Trade debtors	313	219
Other debtors	133	149
The Association of Taxation Technicians	459	160
Taxes and social security	42	27
Prepayments and accrued income	1,046	1,033
	1,993	**1,588**

10. Cash in bank and in hand

	2025 £'000	2024 £'000
Cash at bank	802	449
Cash on short-term deposit	5,067	5,916
	5,869	**6,365**

11. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	672	631
The Association of Taxation Technicians	9	0
Other creditors	95	82
Taxes and social security	175	158
Accruals	1,169	1,267
Deferred income	2,442	2,193
	4,562	**4,331**

Notes on financial statements

Deferred income

	2025 £'000	2024 £'000
Amount brought forward	2,193	2,499
Released in the year	(2,204)	(2,501)
Amounts deferred in the year	2,453	2,195
Amount carried forward	**2,442**	**2,193**

Deferred income relates primarily to amounts received in advance for subscriptions, exams and student registration fees. As noted in the accounting policies, student registration fees are credited to income over the period of registration, some of which are greater than one year.

12. Creditors: amounts falling due after one year

	2025 £'000	2024 £'000
Student registration fees:		
At 1 January	236	236
Fees received in advance	361	371
Release of income in year	(342)	(370)
At 31 December	**255**	**237**

13. Financial instruments

	2025 £'000	2024 £'000
Financial assets measured at fair value through profit or loss	6,743	6,125
Total	**6,743**	**6,125**

Financial instruments measured at fair value through profit or loss comprise listed investments.

Notes on financial statements

14. Statement of funds

	At 01.01.25 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfer £'000	At 31.12.25 £'000
Restricted						
LITRG Reserve	18	0	0	0	0	18
Unrestricted						
General:						
Working capital reserve	1,949	0	0	0	0	1,949
Risk reserve	7,860	12,136	(11,846)	372	0	8,522
Designated:						
Disciplinary procedures	300	0	0	0	0	300
Total unrestricted	10,109	12,136	(11,846)	372	0	10,771
	10,127	12,136	(11,846)	372	0	10,789

	At 01.01.24 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfer £'000	At 31.12.24 £'000
Restricted LITRG Reserve	18	0	0	0	0	18
Unrestricted						
General						
Working capital reserve	1,677	11,302	(11,547)	517	0	1,949
Risk reserve	7,860	0	0	0	0	7,860
Designated:						
Disciplinary procedures	300	0	0	0	0	300
Total unrestricted	9,837	11,302	(11,547)	517	0	10,109
	9,855	11,302	(11,547)	517	0	10,127

The purpose of the charity's funds are as follows:

Unrestricted General fund

The general 'working capital reserve' is intended to be equal to two months of the Institute's annual operating expenditure. The risk reserve is intended to equal 75% of the annual amount of the principal sources of income for the Institute, namely its membership subscription income and income from its education activities. Neither general fund has been designated for specific purposes, allowing the funds to be spent as the Trustees see fit in pursuit of the Institute's charitable objectives.

Restricted funds

The restricted funds relate to a donated legacy. The grant has been given to the CIOT in recognition of a past employee's long service in supporting those on low incomes with tax and related welfare problems. The funds are restricted and to be only used according to the objectives set by the donor.

Designated funds

The disciplinary procedures fund is designed to be used to cover the unpredictable future costs of investigations and disciplinary hearings by the Taxation Disciplinary Board.

Notes on financial statements

15. Analysis of net assets between funds

	Restricted Fund £'000	Unrestricted Fund £'000	Designated Fund £'000	2025 Total £'000
Tangible Fixed Assets	0	482	0	482
Intangible Fixed Assets	0	631	0	631
Investments	0	6,743	0	6,743
Cash on short-term deposit and at bank	18	5,551	300	5,869
Other net current (liabilities)	0	(2,470)	0	(2,470)
Creditors falling due after more than one year	0	(255)	0	(255)
Provisions for liabilities	0	(211)	0	(211)
Total 2025	**18**	**10,471**	**300**	**10,789**

	Restricted Fund £'000	Unrestricted Fund £'000	Designated Fund £'000	2024 Total £'000
Tangible Fixed Assets	0	339	0	339
Intangible Fixed Assets	0	695	0	695
Investments	0	6,125	0	6,125
Cash on short-term deposit and at bank	18	6,047	300	6,365
Other net current (liabilities)	0	(2,627)	0	(2,627)
Creditors falling due after more than one year	0	(236)	0	(236)
Provisions for liabilities	0	(534)	0	(534)
Total 2024	**18**	**9,809**	**300**	**10,127**

16. Provision breakdown

	Brought forward at 1 January £000's	Utilised in year £000's	Released in year £000's	Provided in year £000's	At 31 December 2025 £000's
Dilapidations Monck Street office	320	0	(262)	126	184
International indirect tax	214	(47)	(140)	0	27
Total	**534**	**(47)**	**(402)**	**126**	**211**

The dilapidations provision for the historic lease represents management's best estimate of the dilapidations charge related to the unit no longer occupied by the Institute following exercising the break clause in October 2025. The dilapidations charge for the new lease represents management's best estimate of costs to restore the reduced footprint of the leased head office premises in Monck Street, London, to its previously unfurnished state.

The tax provision relates to GST and VAT in various jurisdictions throughout the world. As more and more jurisdictions review their tax laws, CIOT continue to manage the settlement of any liabilities with the assistance of in-country third party tax advisors.

Notes on financial statements

17. Financial commitments

At 31 December 2025 the Institute had commitments to make future minimum lease payments, in respect of its office lease, under non-cancellable operating leases as follows:

	2025 £'000	2024 £'000
Amounts due: Within one year	108	388
Between one and five years	379	1,091
After five years	0	0
Total commitment	487	1,479

The material reduction since 2024 is a result of exercising the break clause on the historic lease. The revised lease is for a reduced building footprint over a shorter period.

18. Personnel

All members of staff, with the exception of the two Chief Executives and the Institute's Lay Representative, are jointly employed by the Chartered Institute of Taxation and the Association of Taxation Technicians. The Institute's Chief Executive and Lay Representative are solely employed by CIOT and the Association's Chief Executive, by ATT. All costs are initially disbursed by the Institute and an agreed proportion is attributed to the Association. The total average number of employees, including those jointly employed by both charities, was 99.75 (2024: 94.75). At 31 December 2025, the total number of employees was 101 (2024: 95), a mix of 34 (2024: 32) part-time and 67 (2024: 63) full-time employees, and the number whose salary and benefits in kind fell within the following scales is as follows:

	2025 No	2024 No
£60,001 - £70,000	7	9
£70,001 - £80,000	5	8
£80,001 - £90,000	8	6
£90,001 - £100,000	2	3
£100,001 - £110,000	3	1
£110,001 - £120,000	0	0
£120,001 - £130,000	0	0
£130,001 - £140,000	1	1
£140,001- £150,000	0	0
£150,001 - £160,000	0	0
£170,001 - £180,000	0	1
£180,001 - £190,000	1	0

Total staff costs:	**2025 £'000**	**2024 £'000**
Salaries	5,010	4,841
Temporary staff costs	159	138
National Insurance	613	520
Pension costs	535	482

Key management personnel are defined as those with the day-to-day control of running the organisation. At the Institute, those people are the Chief Executive Officer, Director of Education, Director of Governance, Director of Public Policy, Chief Operating Officer and the Chief Finance Officer. The Chief Operating Officer role was removed from the key management structure in March 2025. Their aggregated remuneration in 2025 was £729,595 (2024: £781,330).

The Institute has maintained liability insurance throughout the year to pay on behalf of the Institute or its Council, committee members and staff, any claims for wrongful acts arising out of the conduct of the Institute's business, or committed in their capacity as trustees, committee members, officers and staff. The insurance premium paid by the Institute covering both claims against the Institute and Trustees personally amounted to £26,732 (2024: £23,998).

The Institute contributes to an external defined contribution retirement benefit scheme whose assets are held separately from those of the Institute in independently administered funds. The pension cost charge represents staff pension contributions. Contributions paid by the Institute amounted to £575,341 (2024: £506,080). There was an outstanding pension contribution at 31 December 2025 of £94,940 (2024: £81,401).

Notes on financial statements

19. Donated services and facilities

Institute members and students are encouraged to become involved in the Institute activities and there are over 700 unpaid volunteers on Council, committees, sub-committees, branches and working parties. The Institute is grateful, not only for their generous input, but also to their firms who may ultimately bear the financial cost. It is estimated that around 16,650 volunteer hours were provided during the year. In addition, office space and utilities have been donated for meetings by other organisations, and facilities and administration services have been supplied by the Institute to other tax charities. Staff seconded to the Institute from HMRC contributed an estimated 910 hours in the year. The value to be placed on these resources cannot be reasonably quantified and measured and is not therefore recognised in the statement of financial activities.

20. Related Party Transactions

The Trustees of the Institute are members of Council, who are drawn, from time to time, from the membership of the Institute. No members of Council received any remuneration or benefits-in-kind for their duties as Trustees (2024: £Nil).

Members of Council are reimbursed for travelling and other expenses whilst engaged on the activities of the Institute. In the year ended 31 December 2025, 7 Council members reclaimed reimbursement of expenses totaling £18,075 (2024: 9 Council members: £15,764).

Under article 8(2)(b) of the Charter, a minority of Council members may receive payment for delivering lectures or writing articles on taxation matters on behalf of the Institute. Any payment must be approved by the non-conflicted trustees agreeing that securing the trustee's services are good value and in the best interests of the charity. Payment to one Council member (Sofia Thomas) for services rendered to the Institute during 2025 totaled £3,600 VAT inclusive. (2024: £1,800 VAT inclusive was paid to John Barnett).

Council members are obliged to pay annual subscriptions due to the Institute and are entitled to take advantage of the services offered by the Institute, on the same terms offered to all members, or to the general public.

The Association of Taxation Technicians

The total allocation of costs incurred by the Institute to the Association for the year is £2,363,407 (2024: £1,814,057) and there was a balance due to the Association at the balance sheet date of £9,482 and a balance due from the Association at the balance sheet date of £459,307 (2024 amounts due from the Association to the Institute: £159,660).

The Taxation Disciplinary Board

The Institute's contribution to costs in the year was £178,005 (2024: £140,716). The amount due to the CIOT at the balance sheet date was £126,815 (2024: £129,316).

21. Contingent Liability

There are no contingent liabilities in 2025. Reliable estimates have been determined for all known liabilities.

Chartered Institute of Taxation
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www.tax.org.uk

Registered Charity Number 1037771

Chartered Institute of Taxation.