

THE INSTITUTE OF TRADEMARK ATTORNEYS STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Institute and of the surplus or deficit of the Institute for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Institute and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Institute's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The directors confirm that so far as they are aware, there is no relevant audit information (as defined by Section 418(3) of the Companies Act 2006) of which the Institute's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Institute's auditors are aware of that information.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF TRADE MARK ATTORNEYS

We have audited the financial statements of The Institute of Trade Mark Attorneys for the year ended 31 December 2009 which comprise the Income and Expenditure Account, the Balance Sheet and the related notes numbered 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibility Statement set out on page 26, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in circumstances set out in note 17 to the financial statements.

Scope of the Audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Institute's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

INDEPENDENT AUDITORS' REPORT (continued)
TO THE MEMBERS OF THE INSTITUTE OF TRADE MARK ATTORNEYS

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Institute's affairs as at 31 December 2009 and of its deficit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Institutes financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

Keeley Edwards
(Senior Statutory Auditor)

For and on behalf:
Sawin & Edwards, Statutory Auditors
15 Southampton Place
London WC1A 2AJ
16 February 2010

**THE INSTITUTE OF TRADEMARK ATTORNEYS
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Notes	2009 £	2008 £
INCOME	2	943,500	968,887
Cost of sales		(353,021)	(364,155)
Gross surplus		<u>590,479</u>	<u>604,732</u>
Administrative expenses		(849,826)	(738,519)
Interest receivable	3	4,425	53,967
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	<u>(254,922)</u>	<u>(79,820)</u>
Tax on results on ordinary activities	5	3,403	9,641
DEFICIT FOR YEAR	11	<u><u>(251,519)</u></u>	<u><u>(70,179)</u></u>

THE INSTITUTE OF TRADEMARK ATTORNEYS
BALANCE SHEET
AS AT 31 DECEMBER 2009
 Company Registration Number: 00294396

	Notes	2009 £	2008 £
FIXED ASSETS			
Intangible assets	6	37,161	46,451
Tangible assets	7	8,282	2,914
		<u>45,443</u>	<u>49,365</u>
CURRENT ASSETS			
Debtors	8	151,385	165,532
Cash at bank and in hand		829,204	1,068,785
		<u>980,589</u>	<u>1,234,317</u>
CREDITORS: amounts falling due within one year	9	(244,236)	(250,367)
NET CURRENT ASSETS		<u>736,353</u>	<u>983,950</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>781,796</u>	<u>1,033,315</u>
PROVISIONS FOR LIABILITIES AND CHARGES	10	(8,000)	(8,000)
		<u>773,796</u>	<u>1,025,315</u>
CAPITAL AND RESERVES			
Income and expenditure account	11	<u>773,796</u>	<u>1,025,315</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Mrs G M Deas

Mr C McLeod

Members of the Council

Approved by the Council on 16 February 2010

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

1 ACCOUNTING POLICIES

a) Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

b) Income

The Institute is partially exempt for the purposes of Value Added Tax and the income shown in the Income and Expenditure Account is exclusive of Value Added Tax where appropriate.

c) Intangible assets

Intangible fixed assets comprise of website development expenses and have been capitalised at cost. Amortisation has been provided at the following rate in order to write off the asset over its estimated useful life.

Website costs	5 years
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The directors have reviewed the remaining expected useful life of the website and have decided to reduce the expected useful life from 10 years to 5 years. This has resulted in an increase in the amortisation charge amounting to £4,252 in the current year.

d) Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Office equipment	3 years
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e) Foreign Currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

f) Pensions

The Institute makes defined contributions to the personal pension schemes of its employees. The scheme assets are held separately from those of the Institute in an independently administered fund.

g) Operating Leases

Rentals in respect of operating leases are charged to the Income and Expenditure Account on a straight line basis over the term of the leases.

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

2 INCOME	2009	2008
	£	£
Subscriptions	493,543	464,699
Registration fees	145,485	117,690
credit notes issued	(67,724)	(46,512)
Function receipts	181,807	243,959
Educational income	118,143	89,257
Other income	63,903	91,264
Surplus on JEB (previous year)	8,343	8,530
	<u>943,500</u>	<u>968,887</u>

The income was generated entirely within the United Kingdom.

3 INTEREST RECEIVABLE	2009	2008
	£	£
On bank deposits	4,293	53,945
Other interest	132	22
	<u>4,425</u>	<u>53,967</u>

4 DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2009	2008
	£	£

Deficit before taxation is stated after charging the following:

Depreciation of owned fixed assets	4,883	2,870
Amortisation of intangible fixed assets	9,290	3,932
Pension costs - defined contribution	23,340	21,834
Operating lease rentals on land and buildings	30,600	30,600
Operating lease rentals on equipment	10,470	8,918
Auditors' remuneration	<u>6,500</u>	<u>7,000</u>

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

5 TAX ON RESULTS ON ORDINARY ACTIVITIES	2009	2008
	£	£
UK corporation tax	-	(9,641)
Under provision previous year	(3,403)	-
	<u>(3,403)</u>	<u>(9,641)</u>

6 INTANGIBLE FIXED ASSETS

	Website
	£
Cost	
At 1 January 2009	50,383
At 31 December 2009	<u>50,383</u>
Amortisation	
At 1 January 2009	3,932
Charge for the year	9,290
At 31 December 2009	<u>13,222</u>
Net book value	
At 31 December 2009	<u>37,161</u>
At 31 December 2008	<u>46,451</u>

The directors have reviewed the remaining expected useful life of the website and have decided to reduce the expected useful life from 10 years to 5 years. This has resulted in an increase in the amortisation charge amounting to £4,252 in the current year.

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

7 TANGIBLE FIXED ASSETS

**Office
equipment
£**

Cost

At 1 January 2009	58,569
Additions	10,251
At 31 December 2009	<u>68,820</u>

Depreciation

At 1 January 2009	55,655
Charge for the year	4,883
At 31 December 2009	<u>60,538</u>

Net book value

At 31 December 2009	<u>8,282</u>
At 31 December 2008	<u>2,914</u>

8 DEBTORS

**2009
£**

**2008
£**

Amounts owed by Joint Examination Board (see note 15)	50,256	83,913
Prepayments and accrued income	60,661	58,412
Other debtors	27,424	13,566
Corporation tax recoverable	13,044	9,641
	<u>151,385</u>	<u>165,532</u>

9 CREDITORS: amounts falling due within one year

**2009
£**

**2008
£**

Trade creditors	22,511	2,876
Other taxes and social security costs	8,410	9,677
Accruals and deferred income	88,301	109,999
Subscriptions received in advance	101,327	106,112
Overpayments for events - amounts to be refunded	19,519	16,792
Amounts held as security for costs on behalf of members	900	900
CIPA (Aston Course)	3,268	4,011
	<u>244,236</u>	<u>250,367</u>

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

10 PROVISIONS FOR LIABILITIES AND CHARGES	2009	2008
	£	£
Provision for dilapidations and refurbishment of assets	8,000	8,000

11 INCOME AND EXPENDITURE ACCOUNT	2009	2008
	£	£
Balance brought forward	1,025,315	1,095,494
Deficit for the year	(251,519)	(70,179)
Balance carried forward	<u>773,796</u>	<u>1,025,315</u>

12 LEASING COMMITMENTS	2009	2008
	£	£
At the year end the Institute had annual commitments under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within two to five years	40,504	40,504
	<u>40,504</u>	<u>40,504</u>

13 OTHER COMMITMENTS

In November 2008 the Institute signed a three year contract with Peninsula Business Services Limited for the provision of employment and personnel services. The charge per annum under this contract is £2,496. In November 2005 the Institute signed a 5 year contract with Peninsula Business Services Limited for the provision of health and safety services. The charge per annum under this contract is £1,140.

14 LIMITED LIABILITY AND CONTROL

The Institute is a company limited by guarantee, the liability of the members being limited to £1 each. There is therefore no share capital and no ultimate controlling party.

**THE INSTITUTE OF TRADEMARK ATTORNEYS
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

15 JOINT EXAMINATION BOARD

The surplus or deficit of the Joint Examination Board in each year is shared 50:50 with CIPA. The results for the year ended 31 December 2009 have not been included in these accounts, as the financial statements of the Board had not been prepared at the date of approval of these financial statements. The directors consider the amount not to be material.

16 THE INTELLECTUAL PROPERTY REGULATION BOARD LIMITED

The Chartered Institute of Patent Attorneys and the Institute of Trade Mark Attorneys are the two guarantors of the Intellectual Property Regulation Board Limited. The company was formed to undertake the regulation of the professions of Patent Attorneys and Trade Mark Attorneys. The company was incorporated on 19 June 2008.

17 PROVISION OF NON AUDIT SERVICES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities, provide tax advice, prepare payroll and to assist with the preparation of management accounts and the financial statements.

18 POST BALANCE SHEET EVENT

The Institute has signed a new lease for 10 years on 8 February 2010. The lease has a rent free period until 29 September 2010 and the annual rent is £32,959 exclusive of VAT.

**THE INSTITUTE OF TRADEMARK ATTORNEYS
DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

(for the information of the directors only)

	2009	2008
	£	£
INCOME		
Subscriptions	493,543	464,699
Registration fees	145,485	117,690
Credit notes issued	(67,724)	(46,512)
Function receipts	181,807	243,959
Income from Educational courses	118,143	89,257
Royalties and other income	40,518	68,331
Website and advertising	23,385	22,933
Surplus on JEB (previous year)	8,343	8,530
	<u>943,500</u>	<u>968,887</u>
COST OF SALES		
Events	240,554	255,648
Education	112,467	108,507
	<u>353,021</u>	<u>364,155</u>
	<u>590,479</u>	<u>604,732</u>
GROSS SURPLUS		
Administrative expenses (includes the cost of running the Register)		
Secretariat services	346,470	286,401
Rent and rates	44,842	45,606
Insurance	7,178	6,722
Printing and stationery	37,021	39,259
Postage, telephone and fax	38,731	34,665
Meeting room hire	8,889	7,440
General expenses (includes cleaning, repairs, travel and electricit	18,860	21,771
Audit, accountancy, quarterly accounts and VAT returns	27,383	29,972
Legal and professional fees	204,851	106,692
Bank charges	7,150	4,904
Public relations expenses	44,862	76,767
Computer consultancy and internet costs	26,019	24,131
Depreciation and loss on disposals	4,883	2,870
	<u>817,139</u>	<u>687,200</u>
Balance carried forward	<u>817,139</u>	<u>687,200</u>

**THE INSTITUTE OF TRADEMARK ATTORNEYS
 DETAILED INCOME AND EXPENDITURE ACCOUNT
 FOR THE YEAR ENDED 31 DECEMBER 2009**

(for the information of the directors only)

	2009	2008
	£	£
Administrative expenses (includes the cost of running the Register) (continued)		
Balance brought forward	817,139	687,200
Amortisation of intangible assets	9,290	3,932
Operating lease rentals	10,470	8,918
Continuing Professional Development	(300)	9,933
Recruitment and training expenses	1,166	12,255
Irrecoverable VAT	12,061	16,281
	<u>849,826</u>	<u>738,519</u>
INCOME LESS EXPENSES	(259,347)	(133,787)
Bank deposit and other interest	4,425	53,967
DEFICIT FOR THE YEAR BEFORE TAXATION	<u><u>(254,922)</u></u>	<u><u>(79,820)</u></u>