

LONDON SOCIETY OF CHARTERED ACCOUNTANTS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020



LONDON SOCIETY OF CHARTERED ACCOUNTANTS

SOCIETY INFORMATION

SOCIETY EXECUTIVE OFFICERS

	2019/20	2020/21
President	Nathan Steinberg	Victoria Andrew
Deputy President	Victoria Andrew	Viresh Paul
Vice Presidents	Indy Agnihotri Viresh Paul	Deborah Harris Grant Jones
Vice President (Branch & Area Societies)	Krutsna Buddhdev	VACANT
Treasurer	Justin A Silverman	Krutsna Buddhdev
Hon. Secretary	Richard Joseph	Anzo Francis

ADDRESS

Chartered Accountants' Hall
Moorgate Place
London
EC2R 6EA

INDEPENDENT EXAMINING ACCOUNTANTS

MHA MacIntyre Hudson
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

PRESIDENT'S REPORT

I am pleased to present the annual report and financial statements for the London Society of Chartered Accountants ("the Society") for the year ended 31 December 2020, the financial year which covers the latter half of the year of office of my predecessor, Nathan Steinberg, and the first half of mine.

Our objectives are widely drawn to do all such things as may advance the profession of accountancy but specifically to support members and ACA students in London, and to assist the ICAEW a) in the formulation and execution of its policies by acting as a two-way communication channel with members, and b) to support ICAEW in achieving its own objectives as enshrined in the Royal Charter.

2020 was a year like no other in our history, and probably the most challenging since the Second World War. The Covid-19 pandemic imposed a new way of working on the Society and on our members, as meetings and events had to be conducted virtually, rather than in real life. This new approach has not been without its advantages, not least a reduction in the cost and time of attending in person. However, many of our members miss the informal interaction with one-another that comes with real-life events, and in the future, perhaps a blended way of doing things might become the norm.

We did manage to hold a few real-life events before the first lockdown. My predecessor's theme for his presidential year was restoration of trust in the profession, and there was a presentation and discussion on the Brydon Report at the Main Committee meeting in March 2020 led by two future ICAEW Presidents. This was followed two days later by our Budget breakfast, the last real-life event. A few smaller events and meetings were also held during that period. Sadly, we have had to cancel several of our flagship events, including two Practitioners' conferences in Cambridge, two Annual Dinners, and one Pan Accountancy lunch.

However, from April onwards, we have offered a full programme of virtual events for our members, and all our committees have continued with their normal schedule of meetings, albeit virtually. The LSCA CPD Essentials programme, delivered by ICAEW, was converted to a national scheme of webinars available to all ICAEW members in the UK and abroad. In addition, Business Bitesize, Practice Radar and Younger Members events were delivered online, as were the various programmes offered by our Branches and Area Societies. There were also opportunities to collaborate with other District Societies as location was not an issue; the most notable example being the London and South East Economic Summit in December.

We responded to our members' needs during the pandemic, providing or signposting both technical help, for example in connection with the various Government schemes available for businesses, and support for personal wellbeing, with increased use of CABA resources. A new series, "Pandemic Perspectives," was developed by ICAEW, being conversations with business leaders in various parts of the country.

Finally, there were also opportunities for celebration during the year, all carried out online. In April, we held an event to mark the 100th Anniversary of the first female chartered accountant, Mary Harris Smith, being admitted to membership. Our first ever virtual prizegiving for the ACA exam candidates happened in October, and we were delighted to welcome David Matthews, the ICAEW President, at that event.

We have continued with the practice of having presentations and discussions on particular topics at Main Committee meetings; subjects have included post pandemic business recovery in London, as well as trust in the profession and in business; both of these continue to be the focus of discussions in London.

The theme for 2020/21 has been "diversity of thought; diversity of sector;" our aim has been to deliver meaningful engagement for all ICAEW members in London, and to encourage involvement from members with different perspectives.

The numbers in the financial statements for the year ended 31/12/2020 clearly bear little resemblance to a normal year, with vastly reduced event income and expenditure. Our main source of income has been from a three-year contract with ICAEW to provide the CPD Essentials programme for London

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PRESIDENT'S REPORT (CONTINUED)

members. This contract will terminate at the end of 2021, and we are considering how best to provide CPD for our members in future. In addition, the ICAEW is looking at the basis for funding District Societies in future and this is the subject of current discussions. The amount of surplus for the year will be applied in due course for the benefit of London members, and work has already begun on a reserves policy which will facilitate future decision-making about funding events and projects for our members.

We would not function as a Society without our volunteers, and thanks are due to all those who have served on committees and volunteered to assist with specific projects. In addition, we are all grateful to the ICAEW staff who support us and keep the LSCA wheels in motion. As we celebrate our 150th anniversary (in April 2021) we look forward to continuing to provide our support to you and the profession in the future.

VICTORIA ANDREW

President

04 May 2021

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

TREASURER'S REPORT

I took over the treasurers post in June 2020 so this is my first report.

The LSCA earns income from its CPD providers in return for marketing the CPD providers' courses to the Society's members. It also earns income from events, sponsorship and ticket sales of our flagship events: residential conferences; budget breakfasts; Mansion House lunch and Annual dinner.

Our current three-year contract with the ICAEW to market their CPD courses will be terminated at the end of 2021 and so we are considering how best to generate income in the future.

The year 2020 was, we hope, a never to be repeated year. Income from events has dropped significantly compared to the previous years. We recognise we will need to make changes to deal with the new post Covid-19 Zoom world and discussions are continuing about future events and projects for next year.

The Society's current reserves ensure its activities are sustainable for the foreseeable future.

The Society depends on the support provided by the ICAEW London and East Regions team and the Finance team in Milton Keynes, which is provided free to the Society by the ICAEW. The cost of the time spent by the regional teams are not reflected in these accounts.

I extend my warm thanks to the ICAEW London and East Regions team for their support during my first year as Treasurer. I would also like to thank the finance team in Milton Keynes who provide the society's bookkeeping and accounting functions.

Krutsna Buddhdev
Treasurer

04 May 2021

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE MAIN COMMITTEE OF THE LONDON SOCIETY OF CHARTERED ACCOUNTANTS

FOR THE YEAR ENDED 31 DECEMBER 2020

I report to the members of the Main Committee of the London Society of Chartered Accountants on the accounts of the Society for the year ended 31 December 2020, which are set out on the attached pages 7 to 10.

This report is made solely to the Members as a body. Our work has been undertaken so that we might state to the Members matters we are required to state to them in an Independent Examiner'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 Members for our independent examination work, for this report, or for the statement we have given below.

Respective responsibilities of the members of the Main Committee and examiner

As the members of the Main Committee of the London Society of Chartered Accountants you are responsible for the preparation of the accounts. You have asked for an independent examination and a report to you on the Society's financial statements for the year ended 31 December 2020.

Basis of independent examiner's report

The examination was carried out in accordance with the letter of engagement. An examination includes a review of the accounting records kept by the Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as members of the Main Committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the London Society of Chartered Accountants as required by the Rules of the Society; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts.

REBECCA HUGHES, FCCA

MHA MacIntyre Hudson

Chartered Accountants
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

04 May 2021

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

INCOME AND EXPENDITURE ACCOUNT for the year ended 31 December 2020

	Notes	2020 £	2019 £
INCOME			
London Courses programme		35,000	35,000
Income from services, conferences and other events	2	5,754	59,204
Interest receivable	3	517	815
Less: Corporation tax	4	151	664
		41,120	94,868
EXPENDITURE			
Direct costs of services, conferences and other events	2	9,132	76,508
Committee meeting expenses		2,030	11,164
Less ICAEW Funding		(3,500)	(1,500)
Grants to Area Societies		4,000	3,333
Seedcorn funding – Exam Prizes		1,000	1,000
Independent examiner's fee		2,480	3,200
Administration costs		4,366	5,545
		19,508	99,250
SURPLUS/(DEFICIT) FOR THE YEAR	7	21,612	(4,382)

Note:

All the Society's activities are classed as continuing, and there were no acquisitions in the year. The Society has no recognised gains or losses in the year other than those shown in the Income and Expenditure Account, and no separate statement has been prepared.

The accounting policies and notes on pages 9 to 10 form part of these financial statements

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BALANCE SHEET as at 31 December 2020

	Notes	2020 £	2019 £
CURRENT ASSETS			
Debtors and prepayments	5	5,996	5,503
Cash at bank and in hand		262,966	239,441
TOTAL CURRENT ASSETS		268,962	244,944
CURRENT LIABILITIES			
Creditors and accruals	6	25,035	22,629
NET CURRENT ASSETS		243,927	222,315
TOTAL ASSETS		243,927	222,315
Financed by:			
ACCUMULATED FUNDS	7	243,927	222,315

The financial statements on pages 7 to 10 were approved on 04 May 2021.

VICTORIA ANDREW
President

KRUTSNA BUDDHDEV
Treasurer

The accounting policies and notes on pages 9 to 10 form part of these financial statements

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1 Accounting Policies

- **Basis of accounting**

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

- **Accounting convention**

The financial statements are prepared in accordance with the historical cost convention.

- **Activities**

Fees and direct expenditure on activities are reflected in the year in which the relevant events occur.

- **Society's finances**

The ICAEW London and East Region provides all of the Society's ongoing secretariat support, office and establishment requirements.

The Society operates within its own resources, from surpluses on events and activities, from the London courses programme operated at arm's length by ICAEW, from sponsorship and from reserves.

2 Events, conferences and other seminars

The Society carries out activities for the benefit of members of the Society, which are financed by participating members or from other sources of income such as sponsorship. Total sponsorship raised in 2020 was £2,917 (2019 - £15,661).

	Income	Expense	2020	Income	Expense	2019
	£	£	Net	£	£	Net
			£			£
The Practitioners' Conference	-	2,450	(2,450)	30,905	32,925	(2,020)
Other events	5,754	6,682	(928)	28,299	43,583	(15,284)
	5,754	9,132	(3,378)	59,204	76,508	(17,304)

3 Interest receivable

	2020	2019
	£	£
On short-term deposits	517	815

4 Corporation tax

	2020	2019
	£	£
Tax charge for the year	151	151
Average United Kingdom corporation tax rate	19.00%	19.00%

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

5 Debtors: falling due within one year

	2020 £	2019 £
Trade debtors	-	1,698
Prepayments and accrued income	3,555	1,235
Taxation – VAT refund due	2,441	2,570
At 31 December	5,996	5,503

6 Creditors: falling due within one year

	2020 £	2019 £
Trade creditors	15,851	5,889
Event fees received in advance	1,369	2,435
Taxation	156	311
Accruals	7,659	13,994
At 31 December	25,035	22,629

7 Accumulated funds

	2020 £	2019 £
At 1 January	222,315	226,697
Surplus/(Deficit) for the year	21,612	(4,382)
At 31 December	243,927	222,315

8 Contingent liabilities and capital commitments

At 31 December 2020 the Society had no contingent liabilities or capital commitments.

9 Post balance sheet events

The impact of the COVID-19 pandemic is being treated as a non-adjusting event, since the Main Committee has concluded that the Society has sufficient reserves to cover the potential impact and uncertainty arising for the year ended 31 December 2021.