

LONDON SOCIETY OF CHARTERED ACCOUNTANTS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2022



LONDON SOCIETY OF CHARTERED ACCOUNTANTS

SOCIETY INFORMATION

SOCIETY EXECUTIVE OFFICERS

	2021/22	2022/23	
President	Viresh Paul	Deborah Harris	
Deputy President	Deborah Harris	Anzo Francis	
Vice President	Grant Jones	Grant Jones	
Vice President	VACANT	VACANT	
Vice President (Branch & Area Societies)	Anzo Francis	Anzo Francis	
Hon. Treasurer	Krutsna Buddhdev	Krutsna Buddhdev VACANT	(1 Jan - 21 June 2022) (22 June - 31 Dec 2022)
Acting Treasurer	N/A	Susan Field	(6 July - 31 Dec 2022)
Hon. Secretary	Anzo Francis	Anzo Francis Victoria Andrew Rule 9c	(1 Jan - 29 June 2022) (29 June - 9 Nov 2022) (9 Nov - 31 Dec 2022)

ADDRESS

Chartered Accountants' Hall
Moorgate Place
London
EC2R 6EA

INDEPENDENT EXAMINING ACCOUNTANTS

MHA
Moorgate House
201 Silbury Boulevard
Milton Keynes
MK9 1LZ

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

PRESIDENT'S REPORT

I am honoured to present the annual report and financial statements for the London Society of Chartered Accountants ("the Society") for the year ended 31 December 2022, the financial year which covers the latter half of the year of office of the immediate past president, my predecessor, Mr Viresh Paul, and the first half of my term.

Our objectives continue to be to do all such things as may advance the profession of accountancy, to specifically support members and ACA students in London, and to assist the the Institute of Chartered Accountants in England and Wales (ICAEW), specifically:

- (a) in the formulation and execution of its policies by acting as a two-way communication channel with members, and
- (b) to support the ICAEW in achieving its own objectives as enshrined in the Royal Charter.

Report on ICAEW Requirements and Progress

However, this year also included three additional streams of work for the district society which made the year from May 2022, an internally focused period.

1. Providing operational and administrative support

Following the action to withdraw ICAEW staff in May 2022, during my predecessor's term, with no full-time operational staff, the Society was required to set up administrative support. I was grateful for the operational and administrative resource supplied by member and non-member volunteers, and staff from sponsoring organisations throughout the second half of the year. This resource included marketing, promotion and new ways to maintain communication where possible with the members served by the Society. Several social media platforms were used for outreach using popular platforms and AI tools were also adopted. Our engagement with members continued, where we were able to, on an in-person and virtual basis via our flagship events, with limited or paused event schedules for committees unable or unwilling to source replacement administrative support.

2. Proposals for Governance and Collaboration Framework with the ICAEW

The Society continued to push forward the discussions started earlier on in the year around consideration of proposals that the ICAEW has presented for future engagement, governance framework and work of district societies. Although London was not included in the country-wide discussions with other District societies in October 2022, the information given to other district societies was provided, which intimated service level requirements between ICAEW and the Society, enabled initial discussions, and set the scene for engagement with the ICAEW in 2023.

3. The Four ICAEW Requirements for this Society

A large part of the year under review also addressed four requirements agreed with ICAEW around the Society governance, culture and member engagement. Following the action to withdraw ICAEW staff during my predecessor's term, the Society's Executive Committee met to discuss the implications. The Executive Committee also engaged with the ICAEW on 17 June 2022, and a productive discussion was held with senior executives to confirm a practical route forward. A high-level summary of four requirements was subsequently circulated by the ICAEW on 20 June 2022. This was discussed extensively in the two months of my presidency, and was agreed, with minor adjustment, by the Society's Main Committee at the end of July 2022. An overview of the four requirements and the progress in each area is detailed below:

3.1. *Complete an independent Culture Review:*

Initially, the requirement was for an independent Culture review. However, after careful consideration and facilitated external review of not only the impact the Society wished to make for the members we serve, but also effective Committee behaviours, it was agreed with ICAEW that the focus of this work should be a bespoke training program to address constructive communication, decision-taking and key attitude and behaviour aspects that had been brought to the Main Committee's attention. We took inspiration from good practice implemented in other sectors and industries in engaging with this activity. This included my commitment to ensure that any training and development recognised the longevity, commitment, skills and competencies of many committee members and focussed on ensuring future effectiveness and cohesion of our

current and future members. We have made significant progress in completing all this program and have started its implementation. By investing in our committee members' development, we believe we will continue to foster an inclusive and constructive culture.

3.2. *Strengthen Committee conduct and process:*

Recognizing the importance of continuous learning and growth, ICAEW highlighted the need for board-level development and training. However, in order to give due attention to the above committee training and development it was decided to place the board-level development activity on hold. As the priority lies in equipping our committee members with the necessary skills and knowledge to enhance positive culture and engagement, this item was subsequently incorporated in the ongoing induction and engagement of members serving on committees or interest groups. It is expected that this requirement will be resolved by the scope of the training and development requirement.

3.3. *Develop an Active Member Code of Conduct (AMCC):*

One of the essential requirements set forth by ICAEW was the creation of a Code of Conduct. We understand the significance of having a clear set of ethical principles and standards to guide our actions and decisions. This was finalised in July 2022. The Society thanks our former Honorary Secretary, Victoria Andrew, who spearheaded the development of its code of conduct.

To close out this requirement, the Society will be adopting, as an interim measure, the ICAEW guidance, the *ICAEW Active Member Conduct Procedure (AMCP)* when breach of the Society's Code of Conduct occurs. The Society will consult ICAEW, as the AMCP is reviewed in 2023.

3.4. *Agree a Service Level Agreement (SLA) with ICAEW:*

In order to ensure a transparent and mutually beneficial relationship between the LSCA and ICAEW, it was essential to put a formal Service Level Agreement (SLA) in place. An interim SLA was successfully put in place in September 2022. The agreement outlined responsibilities, expectations, and performance for (i) financial management and reporting, (ii) use of ICAEW Intellectual Property and (iii) routes for communication with ICAEW. We actively engaged on the possible details of a substantive SLA, which was due from ICAEW in October 2022. This will now be received and considered in the next financial year.

The work on these four areas is substantially complete. The Society is committed to upholding the highest standards of professionalism and integrity within its activities and the accountancy profession. I would like to thank all members and ICAEW staff that contributed to making this year a benefit to members, and for being open to engaging in a learning opportunity for the benefit and inclusion of all members and ICAEW staff. I am confident that the continued diversity seen at the leadership level will continue to be fostered and encouraged.

By addressing the requirements set forth by ICAEW and investing in the learning and development of committee members, we further strengthened our position as a leading society, with a local focus on the needs of the profession. I am confident that the experience of the Society this year, and the progress made in addressing the ICAEW requirements will contribute positively to strengthening transparent governance, robust accountability and inclusive engagement for future member-led volunteering.

Report on Progress of Core Society Activities

Returning to the general ongoing programme of the Society: due to public transport disruptions, the AGM at which the presidency changed hands was another virtual meeting for the third year. We welcomed a number of new members including members who are early on in their careers, through the active recruitment and Volunteering led by the President from June 2022.

Under the last presidency the LSCA held the Spring Budget Breakfast. I was pleased to chair the 2nd Accountants Fintech Summit in July 2022. These were held as a hybrid events, which brought entrepreneurs, academics and business leaders with the current trends in the sector. This year the focus was ESG, audit and a briefing for members by the London School of Banking & Finance. Plans for another Fintech focussed event started this year; I will chair the third summit before the end of my presidency in June 2023.

There was a decision in the summer to suspend the What's On Your Radar series and to transfer the LSCA Business Bitesize events to ICAEW. This is now branded as an ICAEW event. The Radar events are planned to recommence in the next financial year. From July 2022 the focus of the LSCA was to drive forward on Impact and Allyship, specifically for our younger members and those in ACA training.

The October event for the Pan Accountancy Lunch was a success, truly opening the involvement across the profession with not only sponsorship but also involvement through presentation from representatives from Bank of England, Institute of Chartered Accountants Scotland (ICAS), Chartered Accountants Ireland (CAI), Chartered Institute of Public Financial Accountants (CIPFA), Chartered Accountants Australia & New Zealand (CAANZ), the Association of Accounting Technicians (AAT), South Africa Institute of Chartered Accountants (SAICA), and the Chartered Institute of Taxation (CIOT) with representatives from the ACCA and CIMA also attending. This event saw 120 attendees again hosted by the Lord Mayor, the Rt Hon Vincent Thomas Keaveny CBE KStJ, at Mansion House. We ended the year by reintroducing the Members End of Year celebration, kindly hosted by David Symes of Compliance Recruitment Solutions.

Our students and Younger Members London (YML) held a successful event celebrating the mentoring and coaching embedded in events held in March 2022 (International Women's Day), and October 2022 (Black History Month). We more than doubled our investment in our London students through the Chartered Accountants Student Society London (CASSL). This enabled this award-winning association to launch two initiatives: graduate mentoring, and an ESG recognition award as a result.

When full time ICAEW administration staff and resources were available to the Society our publication, *London Accountant* was published until June 2022, after which this activity was paused. However, the Society's website and a newly created social media profile were used to engage with and reach London members with information and updates.

The Society continued to support its Branch as well as the independent Area Societies that work in specific boroughs of London. To that end, we provided online facilities for meetings and events for South East London Area Society from June to December 2022, and led the negotiations escalated from the Area Society committee for the North London branch - with the aim of strengthening the committed, operational support in place.

Looking ahead, the Society is clearly eager to continue the journey of progress. I believe that the members remain dedicated to our core objectives of supporting members and ACA students in the area we serve in and around London, acting as a communication channel between members and ICAEW, and assisting ICAEW in achieving its own objectives.

We could not function as a Society without our active-member volunteers, so my heartfelt thanks to those who have served on committees or volunteered on specific projects, contributing time and expertise over the latter half of this financial year. This invaluable contribution was instrumental in overcoming challenges in place before the start of my presidency.

I also extend my appreciation to key executive directors of the ICAEW who continued to engage with the Society. By addressing operational issues that arose, the Society was able to navigate the restricted relationship, enabling more positive outcomes and member benefit.

In conclusion, in spite of the additional three programmes demanded in the latter half of this financial year, plus in the face of limited administrative and marketing support during my presidency, the Society was still able to successfully fulfil its objectives.

I humbly acknowledge and celebrate my place in history as the first Black President elected in the 152 year history of this Society, and leave office knowing that my decision to 'lean in' enabled greater access for experienced professionals to join the Society, paving the way for increased inclusion and continued governance transparency. This term has been a year of innovation, resourcefulness and challenge in more ways than one. It has been an honour to meet so many engaged and professional colleagues; truly an experience to last any single lifetime.

**Deborah Harris-Ugbomah FCA
President**

21 June 2023

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

TREASURER'S REPORT

I took over as Acting Treasurer in July 2022, following the resignation of Krutnsna Buddhdev, and was elected Treasurer in March 2023. It has been a steep learning curve.

The LSCA has historically earned income from its CPD providers in return for marketing the CPD providers' courses to the Society's members. Our previous three-year contract with the ICAEW to market their CPD courses terminated at the end of 2021. We were able to negotiate a payment of £15,000 (down from £35,000 in 2021) in 2022 but this reduction in our income is clearly reflected in the results for the year. LSCA also earns income from events, sponsorship and ticket sales of our flagship events: residential conferences; budget breakfasts; Mansion House lunch and Annual dinner.

The withdrawal of support services by ICAEW, including access to our database, in May 2022 meant that marketing of our events, in particular our flagship Pan Accountancy lunch at the Mansion House in October, was extremely difficult and this is reflected in the attendance and hence the income.

Fortunately, the Society has sufficient reserves to weather these storms and to ensure its sustainability for the future.

The Society has continued to receive bookkeeping and accounting support from the District Society finance team in Milton Keynes throughout this very difficult year and I extend my grateful thanks to them for their help throughout the period of my treasurership to date,

Susan Field
Treasurer

21 June 2023

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 2022

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 2022, which are set out on the attached pages 9 to 12.

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 2022.

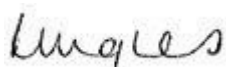
Basis of independent examiner's report

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

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

Date: 26 June 2023

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

**INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2022**

	Notes	2022 £	2021 £
INCOME			
London Courses programme		15,000	35,000
ICAEW Funding		3,500	3,500
Income from services, conferences and other events	2	34,172	19,988
Interest receivable	3	797	619
		53,469	59,107
EXPENDITURE			
Direct costs of services, conferences and other events	2	60,475	28,845
Committee meeting expenses		3,817	4,035
Grant to CASSL		1,000	-
Grant to area Societies		-	1,000
Seedcorn Funding		1,250	578
Tax Committee Secretary		2,619	6,165
Independent examiner's fee		2,480	2,480
Administration costs		2,550	815
London Accountant Magazine		1,662	2,511
		75,853	46,429
		(22,384)	12,678
Less Corporation Tax		151	60
DEFICIT (2021 SURPLUS) FOR THE YEAR	7	(22,535)	12,618

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 11 to 12 form part of these financial statements

**LONDON SOCIETY OF CHARTERED ACCOUNTANTS
BALANCE SHEET
as at 31 December 2022**

	Notes	2022 £	2021 £
CURRENT ASSETS			
Debtors and prepayments	5	14,187	8,710
Cash at bank and in hand		224,348	260,457
TOTAL CURRENT ASSETS		238,535	269,167
CURRENT LIABILITIES			
Creditors and accruals	6	4,525	12,622
NET CURRENT ASSETS		234,010	256,545
TOTAL ASSETS		234,010	256,545

Financed by:

ACCUMULATED FUNDS	7	234,010	256,545
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The financial statements on pages 8 to 10 were approved on 21 June 2023



Deborah Harris- Ugbomah FCA
President



Susan Field
Treasurer

The accounting policies and notes on pages 11 to 12 form part of these financial statements

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2022

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 2022 was £1,000 (2021 - £3,200).

	Income £	Expense £	2022 Net £	Income £	Expense £	2021 Net £
The Practitioners' Conference	6,346	19,542	(13,196)	-	-	-
Other events	27,826	40,933	(13,107)	19,988	28,845	(8,857)
	34,172	60,475	(26,303)	19,988	28,845	(8,857)

3 Interest receivable

	2022 £	2021 £
On short-term deposits	797	619

4 Corporation tax

	2022 £	2021 £
Tax charge for the year	151	118
Over Provision Previous Years	-	(58)
Average United Kingdom corporation tax rate	19.00%	19.00%

LONDON SOCIETY OF CHARTERED ACCOUNTANTS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2022

5 Debtors: *falling due within one year*

	2022 £	2021 £
Trade debtors	6,006	4,200
Prepayments and accrued income	7,950	3,125
Taxation – VAT refund due	231	1,385
At 31 December	14,187	8,710

6 Creditors: *falling due within one year*

	2022 £	2021 £
Trade creditors	444	277
Event fees received in advance	-	2,970
Taxation	901	118
Accruals	3,180	9,257
At 31 December	4,525	12,622

7 Accumulated funds

	2022 £	2021 £
At 1 January	256,545	243,927
Deficit (2021 Surplus) for the year	(22,535)	12,618
At 31 December	234,010	256,545

8 Contingent liabilities and capital commitments

At 31 December 2022 the Society had no contingent liabilities or capital commitments.