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Trust through governance

ICSA Publishing Limited

Report and financial statements for the year ended 30 June 2017

Registered no. 01576660

ICSA Publishing Limited

Report and financial statements for the year ended 30 June 2017

Contents

Directors' report

The directors present their report and the audited financial statements for the period ended 30 June 2017.

Principal activity

The company's principal activity has been the publication of professional information and guidance to support company secretaries and other related professionals.

Results and dividends

The loss after taxation for the period to 30 June 2017 amounted to £113,255 (2016: Profit £ 11,338), which has been transferred to reserves.

The directors have not declared a dividend in respect of the period to 30 June 2017 (2016: Nil).

The company does not actively use financial instruments as part of its financial risk management. The company is exposed to the usual credit risk and cash flow risks associated with providing its goods and services and manages this risk through its internal control procedures.

Directors

The directors in office during the year were as follows:

S Osborne
W Booth
C Glennie (Resigned 22 July 2016)
C Evans

None of the directors held any beneficial interest in the shares of the company (2016: Nil).

Going concern

The company has considerable resources and positive cash flows. Having reviewed future budgets and forecasts the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future and have, therefore, used the going concern basis in preparing the financial statements.

Directors' report (continued)

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by an auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the companies auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

PRINCIPAL RISKS AND UNCERTAINTIES

The process of risk acceptance and risk management is addressed through a framework of policies, procedures, and internal controls. The risk register is subject to the holding companies approval and all policies are subject to ongoing review by key management. Compliance with regulation, legal and ethical standards is a high priority for the company and its key management.

The company is also exposed to the usual credit risk and cash flow risks associated with providing its goods and services. It manages this risk through its internal control procedures.

SMALL COMPANY PROVISION

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the board

S Osborne
Director
22 January 2018

Statement of Directors' responsibilities

For the year ended 30 June 2017

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

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

Independent auditor's report
to the members of ICSA Publishing Limited

Opinion

We have audited the financial statements of ICSA Publishing Limited (the 'company') for the year ended 30 June 2017 which comprise Statement of comprehensive income, Balance sheet, Statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report
to the members of ICSA Publishing Limited (Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Independent auditor's report
to the members of ICSA Publishing Limited (Continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities Statement set out on page 3 , the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Moore Stephens LLP

Stephen Corrall (Senior Statutory Auditor)
For and on behalf of Moore Stephens LLP
Chartered Accountants and Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

Date: 24 January 2018

Statement of Comprehensive Income

for the year ended 30 June 2017

	Notes	Year ended 30 June 2017 £	11 Months to 30 June 2016 £
Turnover	2	356,673	377,542
Direct costs		(199,233)	(159,192)
Gross profit		157,440	218,350
Administration expenses		(376,750)	(289,990)
Other operating income		103,166	85,793
Operating (loss)/profit on ordinary activities	3	(116,144)	14,153
Interest receivable	5	26	48
(Loss) /profit on ordinary activities before taxation		(116,118)	14,201
Taxation on ordinary activities	6	2,863	(2,863)
Total comprehensive (expenditure) /income		(113,255)	11,338

All amounts in the statement of comprehensive income relate to continuing operations

The notes on pages 10 to 18 form an integral part of these financial statements.

Balance sheet
at 30 June 2017

	Notes	2017 £	2016 £
Fixed assets			
Intangible assets	7	4,928	16,810
		4,928	16,810
Current assets			
Stocks	8	82,537	74,918
Debtors	9	83,420	89,462
Cash at bank and in hand		166,062	199,271
		332,019	363,651
Creditors: amounts falling due within one year	10	(204,840)	(114,171)
Net current assets		127,179	249,480
Total assets less current liabilities		132,107	266,290
Deferred income		(49,668)	(70,596)
Net assets		82,439	195,694
Capital and reserves			
Share capital	11	10,000	10,000
Retained earnings		72,439	185,694
Equity shareholders' funds		82,439	195,694

The notes on pages 10 to 18 form an integral part of these financial statements.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Board and were signed on its behalf on 22 January 2018.

S Osborne
Director
Company no. 1576660

Statement of changes in equity
As at 30 June 2017

	Share capital £	Retained earnings £	Total £
At 1 August 2015	10,000	174,356	184,356
Total comprehensive income for the period	-	11,338	11,338
At 30 June 2016	10,000	185,694	195,694
At 1 July 2016	10,000	185,694	195,694
Total comprehensive expense in the year	-	(113,255)	(113,255)
At 30 June 2017	10,000	72,439	82,439

Notes to the financial statements
for the year ended 30 June 2017

1. Accounting policies

The company is a United Kingdom private company limited by shares and is incorporated in England. The registered office address is Saffron House 6-10 Kirby Street, London EC1N 8TS. The financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the majority of the company's transactions are denominated.

A summary of the significant accounting policies, which have been applied consistently, are set out below.

a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Section 1a of Financial Reporting Standard 102, as issued by Financial Reporting Council ("FRS102") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see below).

b) Cash flow exemption

The company has taken advantage not to produce a statement of cash flows as permitted by FRS102 as it is a small entity.

c) Going concern

The company has considerable resources and positive cash flows. Having reviewed future budgets and forecasts the directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future and have, therefore, used the going concern basis in preparing the financial statements.

d) Critical estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of turnover and expenses during the reporting period. Given the routine nature of the company's transactions, the directors believe there are no critical estimates or judgements in the preparation of these financial statements.

e) Turnover

Turnover represents amounts receivable for goods and services excluding VAT, trade discounts and returns. The income from book sales is recognised upon despatch and subscription income is recognised in the year to which it relates. Subscription income received in advance of that which relates to the current year is carried forward as deferred income at the year end.

Notes to the financial statements
for the year ended 30 June 2017

1. Accounting policies (continued)

f) Direct costs

All items of expenditure directly attributable to the generation of income have been shown as direct costs.

g) Intangible assets

Development expenditure has been capitalised as the directors are satisfied as to the technical, commercial and financial viability of the project. Once the project becomes operational the expenditure will be amortised over a period of three years, this being the time the company is expected to benefit, subject to annual impairment reviews. The expenditure relates to the development of web based versions of the company's products and services.

h) Finished goods and work in progress

Finished goods and work in progress are stated at the lower of cost and net realisable value. In the case of finished goods, cost represents all costs incurred in publishing the book. In the case of work in progress, cost consists of direct expenses incurred in bringing the project to the position at the balance sheet date.

Net realisable value represents estimated selling price less all costs to be incurred in marketing, selling and distribution.

i) Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

i) Taxation

The company is subject to tax on a normal basis; the charge for current tax is based on the result for the year adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Current and deferred tax is recognised in the same component of the statement of comprehensive income.

Notes to the financial statements
for the year ended 30 June 2017

1. Accounting policies (continued)

k) Employee benefits

Retirement benefits obligations

The company participates in a multi-employer defined benefit scheme, in which the principal employer is the Institute of Chartered Secretaries and Administrators. The company is unable to identify its share of the underlying assets and liabilities of the scheme as it participates in the scheme with other group companies. Each participating employer is exposed to actuarial risks associated with the current and former employees of the other employers participating in the scheme. Accordingly under FRS102 Employee Benefits the company accounts for its contributions to the scheme as if it were a defined contribution scheme. Employer contributions as recommended by the scheme actuary, are charged to the profit and loss account when paid.

l) Related party transactions

The Company has taken advantage not to disclose transactions with other group companies as permitted by FRS102 on the grounds that it is a wholly owned subsidiary.

2. Turnover

Turnover, all of which arises in the UK, represents amounts receivable for goods and services excluding VAT, trade discounts and returns and is analysed as follows:

	Year to 30 June 2017 £	11 Months to 30 June 2016 £
Subscription products	149,890	164,053
Books	201,333	213,192
Other	5,450	297
	356,673	377,542

3. Operating (loss) / profit on ordinary activities before taxation

	Year to 30 June 2017	11 Months to 30 June 2016
Operating (loss)/profit on ordinary activities before taxation is stated after charging:	£	£
Auditor's remuneration - audit services	4,850	5,300
Amortisation	11,882	10,787

Notes to the financial statements
for the year ended 30 June 2017

4. Director's remuneration

	Year to 30 June 2017 £	11 Months to 30 June 2016 £
Directors' remuneration:		
Emoluments	82,724	68,922
Pension costs	10,148	9,162
	92,872	78,084

In the year to 30 June 2017 one director accrued pension benefits under a defined benefit scheme for the whole of the year (2016:one director accrued pension benefits under a defined benefits scheme for 11 months).The principal employer in the defined benefit pension scheme is the Institute of Chartered Secretaries and Administrators.

5. Interest receivable

	Year to 30 June 2017 £	11 Months to 30 June 2016 £
Bank interest	26	48

Notes to the financial statements
for the year ended 30 June 2017

6. Taxation on (loss) / profit on ordinary activities

(a) Analysis of charge in the period

The taxation charge on (loss) / profit on ordinary activities comprises:

	Year to 30 June 2016 £	11 Months to 30 June 2016 £
Adjustments in respect of prior years	(2,863)	2,863
Current taxation (credit)/charge	(2,863)	2,863

(b) factors affecting taxation charge for the year:

The Corporation Tax assessed for the year is different from that at the standard rate of Corporation Tax in the United Kingdom of 19.75% (2016: 20%). The differences are explained below:

	Year to 30 June 2016 £	11 Months to 30 June 2016 £
(Loss) /profit on ordinary activities before taxation	(116,118)	14,201
(Loss)/profit on ordinary activities before taxation multiplied by the standard rate of Corporation Tax in the UK of 19.75% (2016: 20%)	(22,933)	2,840
Effects of:		
Expenses not deducted for tax purposes	43	22
Losses carried back	2,827	-
Adjustments to tax charge in respect of Previous periods	(2,863)	-
Adjust closing deferred tax to average rate of 19.75%	2,794	-
Deferred tax not recognized	17,269	-
Current taxation (credit)/charge – note 6(a)	(2,863)	2,863

Notes to the financial statements
for the year ended 30 June 2017

7. Intangible fixed assets

	Development Costs £
Cost	
At 1 August 2016	35,481
At 30 June 2017	35,481
Amortisation	
At 1 August 2016	18,671
Charge in the year	11,882
At 30 June 2017	30,553
Net book value	
At 30 June 2017	4,928
At 30 June 2016	16,810

Notes to the financial statements
for the year ended 30 June 2017

8. Stocks

	2017 £	2016 £
Work in progress	8,652	15,202
Finished goods	73,885	59,716
	82,537	74,918

The value of stock recognized during the year included in the statement of comprehensive income and included in direct costs was £88,883 (2016: £55,505).

9. Debtors

	2017 £	2016 £
Trade debtors	41,880	49,221
Amounts due from parent undertaking	-	122
Amounts due from group companies	21,567	16,869
Corporation tax	2,863	-
Other debtors and prepayments	17,110	23,250
	83,420	89,462

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	43,135	25,891
Amounts due to parent undertaking	103,806	37,047
Other creditors	38,421	33,272
Corporation Tax	-	2,863
Accruals	19,478	15,098
	204,840	114,171

11. Share capital

	2017 £	2016 £
Authorised, allotted and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

Notes to the financial statements
for the year ended 30 June 2017

12. Pensions

a) Defined benefit scheme

The company participates in a defined benefit pension scheme, in which the principal employer is the Institute of Chartered Secretaries and Administrators (The Institute). The scheme is also available to the employees of the Institute and ICSA Services Limited. As result it is not possible to identify the assets and liabilities of the scheme which are attributable to the company. The assets of the scheme are held in separate trustee administered funds. The pension cost is assessed in accordance with the advice of an independent qualified actuary, using the projected unit's method in accordance with FRS102 S.28 Employee Benefits. Contributions made to the scheme in the year to 30 June 2017 amounted to £49,209 (2016: 11 months £56,904). The scheme was closed to new members from 1 February 2005.

The last actuarial valuation was at 1 August 2014 which was based on a range of agreed assumptions. The market value of the scheme's assets was £10.9m, the funding level was 80% and the deficit in the scheme was £2,747,000. In accordance with the advice from the actuary, the employer's contribution increased from 15% to 19.6% from 1 August 2015. Under the agreed deficit reduction plan monthly contributions were also payable of £31,100 per month over the period December 2013 to December 2023. In March 2017 an additional payment of £2,000,000 was paid to the scheme by the company's parent undertaking and treated as a payment against future monthly deficit reduction contributions. The monthly contributions ceased therefore from the 1 April 2017 until new arrangements are determined under a revised Schedule of Contributions following the completion of the next actuarial valuation. This valuation has an effective date of the 1 July 2017 and is currently under preparation. The deficit of the scheme at 30 June 2017 as determined under FRS102 was £2,129,000 (2016; £4,498,000).

The main financial assumptions used are as follows:

	2017	2016
	%	%
Inflation (RPI)	3.60	3.20
Inflation (CPI)	2.85	2.45
Increase in salaries	2.50	2.50
Rate of increase in pensions and Deferred pensions	2.50	2.50
Rate used to discount scheme liabilities	2.70	2.90

b) Stakeholder scheme

Employees of the company may participate in a stakeholder pension scheme operated by the company's parent undertaking. No contributions were made by employees to this scheme in the period (2016: Nil).

Notes to the financial statements
for the year ended 30 June 2017

13. Capital commitments and contingent liabilities

No capital commitments existed at the balance sheet date (2016: Nil).

14. Parent and controlling undertaking

The Company's parent and ultimate undertaking is The United Kingdom, Republic of Ireland and Associated Territories, the Channel Islands and the Isle of Man ('UKRIAT') Division of the Institute of Chartered Secretaries and Administrators (ICSA), a body incorporated in the United Kingdom under Royal Charter. The management and control of the Institute's assets and operations within UKRIAT is the responsibility of the UKRIAT Committee which is responsible for the preparation of its financial statements.

At the date these accounts were approved, UKRIAT's consolidated financial statements can be obtained from Saffron House, 6-10 Kirby Street, London EC1N 8TS.