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Trust through governance

ICSA Publishing Limited

Report and financial statements for the year ended 30 June 2018

Registered no. 01576660

Report and financial statements for the year ended 30 June 2018

Contents

Directors' report

The directors present their report and the audited financial statements for the year ended 30 June 2018.

Principal activity

The company's principal activity during the year continued to be 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 2018 amounted to £83,669 (2017: loss £ 113,255), which has been transferred to reserves.

The directors have not declared a dividend in respect of the period to 30 June 2018 (2017: Nil).

Directors

The directors in office during the year were as follows:

S Osborne
W Booth
C Evans

None of the directors held any beneficial interest in the shares of the company (2017: Nil).

Going concern

Having reviewed future budgets and forecasts and noting that deferred income balances are not normally required to be repaid, the directors have a reasonable expectation that the company will continue to have positive cash flows for the foreseeable future. The directors have obtained assurances from the parent undertaking of continued financial support for the foreseeable future to ensure the company is able to meet its normal trading liabilities as and when they fall due. The directors have therefore prepared the accounts on the going concern basis.

Directors' report (continued)

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approval of 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 company's 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 parent undertaking's 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 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.

The company does not actively use financial instruments as part of its financial risk management strategy.

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.

On behalf of the board

S Osborne
Director
22 November 2018

Statement of Directors' responsibilities

For the year ended 30 June 2018

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 company and of the profit or loss of the company 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 company's transactions and disclose with reasonable accuracy at any time the financial position of 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 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 2018 which comprise the Income Statement, the Statement of Financial Position and the notes to the accounts, 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 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 company's affairs as at 30 June 2018 and of its loss 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 Companies Act 2006.

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 other 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 has 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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 Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Jeremy R Beard.

Jeremy Beard (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Date: 22 November 2018

Statement of Comprehensive Income

for the year ended 30 June 2018

	Notes	2018 £	2017 £
Turnover	2	321,558	356,673
Direct costs		(176,459)	(199,233)
Gross profit		145,099	157,440
Administration expenses		(228,813)	(273,584)
Operating loss on ordinary activities	3	(83,714)	(116,144)
Interest receivable	5	45	26
Loss on ordinary activities before taxation		(83,669)	(116,118)
Taxation	6	-	2,863
Total comprehensive income		(83,669)	(113,255)

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

The notes on pages 9 to 16 form an integral part of these financial statements.

Balance sheet
at 30 June 2018

	Notes	2018 £	2017 £
Fixed assets			
Intangible assets	7	-	4,928
		-	4,928
Current assets			
Stocks	8	37,663	82,537
Debtors	9	77,372	83,420
Cash at bank and in hand		159,013	166,062
		274,048	332,019
Creditors: amounts falling due within one year	10	(250,558)	(204,840)
Deferred income		(24,720)	(49,668)
Net current (liabilities)/assets		(1,230)	77,511
Net (liabilities)/assets		(1,230)	82,439
Capital and reserves			
Share capital	11	10,000	10,000
Retained earnings		(11,230)	72,439
(Deficit)/sufficiency of equity shareholders' funds		(1,230)	82,439

The notes on pages 9 to 16 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 November 2018.

S Osborne
Director
Company no. 1576660

Notes to the financial statements

for the year ended 30 June 2018

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

As deferred income balances are not normally required to be repaid and having reviewed future budgets and forecasts the directors have a reasonable expectation that the company will continue to have positive cash flows for the foreseeable future. The directors have obtained assurances from the parent undertaking of continued financial support for the foreseeable future to ensure the company is able to meet its normal trading liabilities as and when they fall due. The directors have therefore prepared the accounts on the going concern basis.

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 the year in which it falls due is carried forward as deferred income at the year end.

Notes to the financial statements
for the year ended 30 June 2018

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. When the asset is brought into use the expenditure is amortised over a period of three years, being the time the company is expected to benefit. The carrying value is 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 2018

1. Accounting policies (continued)

k) Employee benefits

Retirement benefits obligations

The company participates in a multi-employer defined benefit pension 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:

	2018 £	2017 £
Subscription products	97,334	149,890
Books	224,224	201,333
Other	-	5,450
	321,558	356,673

3. Operating loss on ordinary activities

Operating loss on ordinary activities is stated after charging:	2018 £	2017 £
Auditor's remuneration - audit services	4,500	4,850
Amortisation	4,928	11,882

Notes to the financial statements
for the year ended 30 June 2018

4. Director's remuneration

	2018 £	2017 £
Director's remuneration:		
Emoluments	95,242	82,724
Pension costs	10,422	10,148
	105,664	92,872

In the year to 30 June 2018 one director accrued pension benefits under a defined benefit pension scheme for the whole of the year (2017: one director accrued pension benefits under a defined benefit pension scheme for the whole year).The principal employer in the defined benefit pension scheme is the Institute of Chartered Secretaries and Administrators.

5. Interest receivable

	2018 £	2017 £
Bank interest	45	26

6. Taxation on loss on ordinary activities

Analysis of (credit)/charge in the period

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

	2018 £	2017 £
Adjustments in respect of prior years	-	(2,863)
Current taxation (credit)/charge	-	(2,863)

Notes to the financial statements
for the year ended 30 June 2018

7. Intangible fixed assets

	Development Costs £
Cost	
At 1 July 2017 and 2018	35,481
Amortisation	
At 1 July 2017	30,553
Charge in the year	4,928
At 30 June 2018	35,481
Net book value	
At 30 June 2018	-
At 30 June 2017	4,928

8. Stocks

	2018 £	2017 £
Work in progress	15,384	8,652
Finished goods	22,279	73,885
	37,663	82,537

The value of stock recognized during the year included in the statement of comprehensive income and included in direct costs was £51,606 (2017: £88,883).

Notes to the financial statements
for the year ended 30 June 2018

9. Debtors

	2018 £	2017 £
Trade debtors	42,429	41,880
Amounts due from group companies	21,330	21,567
Corporation tax	2,863	2,863
Other debtors and prepayments	10,750	17,110
	77,372	83,420

10. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	8,842	43,135
Amounts due to parent undertaking	172,376	103,806
Tax and social security costs	165	2,991
Other creditors	46,556	35,430
Accruals	22,619	19,478
	250,558	204,840

11. Share capital

	2018 £	2017 £
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 2018

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). 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 method in accordance with FRS102 S.28 Employee Benefits. Contributions made to the scheme in the year to 30 June 2018 amounted to £10,422 (2017: £49,209). The scheme was closed to new members from 1 February 2005.

The last actuarial valuation was as at 1 July 2017 and was based on a range of agreed assumptions. The market value of the scheme's assets was £14.6m, the funding level was 83% and the deficit in the scheme was £2,913,700. This deficit excludes prepaid contributions of £1,906,700 being the balance of the additional contribution of £2m paid in March 2017 which had been treated as a prepayment of the monthly deficit reduction payments of £31,100 payment of which thereby ceased from 1 April 2017. If this balance of prepaid contributions were included in the valuation at 30 June 2018 the deficit in the scheme would reduce from £2,913,000 to £1,007,000 and the funding level increase to 94%. The balance of the prepaid contributions at 30 September 2018 of £1,440,200 will be released to form part of the assets of the scheme from 1 October 2018.

In accordance with the advice from the actuary, the employer's contribution increased from 19.6% to 26.3% from 1 October 2018, £20,000 being payable by 31 October 2018 in regard to the period 1 July 2017 to 30 September 2018. With the intention of eliminating the remaining effective deficit of £1,007,000 by 30 June 2020, a lump sum of £300,000 will be paid by 31 October 2018 and monthly deficit contributions of £20,000 will commence from 1 October 2018. The next valuation has an effective date of the 1 July 2020. The deficit of the scheme at 30 June 2018 as determined under FRS102 was £1,640,000 (2017; £2,129,000).

The main financial assumptions used are as follows:

	2018 %	2017 %
Inflation (RPI)	2.70	3.60
Inflation (CPI)	2.55	2.85
Increase in salaries	2.50	2.50
Rate of increase in pensions and deferred pensions	2.40	2.50
Rate used to discount scheme liabilities	2.70	2.70

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 (2017: Nil).

Notes to the financial statements
for the year ended 30 June 2018

13. Capital commitments and contingent liabilities

No capital commitments existed at the balance sheet date (2017: 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.