

Report of the Directors and
Financial Statements
for the Year Ended 31 December 2002
for
South Eastern Society of Chartered
Accountants Limited



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**Contents of the Financial Statements
for the Year Ended 31 December 2002**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7
Trading and Profit and Loss Account	11

Company Information
for the Year Ended 31 December 2002

DIRECTORS:

L M Wiggins
A J Bennewith
R I Mackenzie
D M Spofforth
C E Hemming
A Durrant
M D Kimber
A K Meadows
R Swaffield
S J Hurst
S Pope
A Spofforth
J Knight

SECRETARY:

C E Hemming

REGISTERED OFFICE:

3000 Cathedral Hill
Guildford
Surrey
GU2 7YB

REGISTERED NUMBER:

3493607

AUDITORS:

Gibbons and Mannington
20 Eversley Road
Bexhill-on-Sea
East Sussex
TN40 1HE

BANKERS:

Barclays Bank plc
Gatwick Group
90/92 High Street
Crawley
West Sussex

**Report of the Directors
for the Year Ended 31 December 2002**

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of being a District Society of the Institute of Chartered Accountants in England and Wales.

DIRECTORS

The directors during the year under review were:

L M Wiggins	
A J Bennewith	
R I Mackenzie	
G W Holdstock	- resigned 22.5.02
D M Spofforth	
C E Hemming	
R W Bell	- resigned 22.5.02
A Durrant	
M A Howard	- resigned 22.5.02
M D Kimber	
A K Meadows	
R Swaffield	
S J Hurst	- appointed 22.5.02
S Pope	- appointed 22.5.02
A Spofforth	
J Knight	

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

AUDITORS

The auditors, Gibbons and Mannington, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**South Eastern Society of Chartered
Accountants Limited**

**Report of the Directors
for the Year Ended 31 December 2002**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in dark ink, appearing to read 'A. J. P. ...', is written over a faint, illegible printed name.

- Director

13 May 2003

**South Eastern Society of Chartered
Accountants Limited**

**Report of the Independent Auditors to the Members of
South Eastern Society of Chartered
Accountants Limited**

We have audited the financial statements of South Eastern Society of Chartered Accountants Limited for the year ended 31 December 2002 on pages four to nine. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Gibbons & Mannington

Gibbons and Mannington
20 Eversley Road
Bexhill-on-Sea
East Sussex
TN40 1HE

Dated: 13 May 2003

**South Eastern Society of Chartered
Accountants Limited**

**Profit and Loss Account
for the Year Ended 31 December 2002**

		31.12.02	31.12.01
	Notes	£	£
TURNOVER		9,566	110,274
Cost of sales		16,125	9,857
GROSS (LOSS)/PROFIT		(6,559)	100,417
Administrative expenses		6,973	122,207
		(13,532)	(21,790)
Other operating income		800	20,660
OPERATING LOSS	3	(12,732)	(1,130)
Interest receivable and similar income		2,269	4,155
		(10,463)	3,025
Interest payable and similar charges		-	276
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(10,463)	2,749
Tax on (loss)/profit on ordinary activities	4	57	604
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(10,520)	2,145
Retained profit brought forward		108,471	106,326
RETAINED PROFIT CARRIED FORWARD		<u>£97,951</u>	<u>£108,471</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the loss for the current year and the profit for the previous year.

**South Eastern Society of Chartered
Accountants Limited**

**Balance Sheet
31 December 2002**

		31.12.02		31.12.01	
	Notes	£	£	£	£
FIXED ASSETS:					
Investments	5		2		2
CURRENT ASSETS:					
Debtors	6	10,600		12,842	
Cash at bank		90,912		100,843	
		<u>101,512</u>		<u>113,685</u>	
CREDITORS: Amounts falling due within one year	7	<u>3,563</u>		<u>5,216</u>	
NET CURRENT ASSETS:			<u>97,949</u>		<u>108,469</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>£97,951</u>		<u>£108,471</u>
RESERVES:					
Profit and loss account			<u>97,951</u>		<u>108,471</u>
	11		<u>£97,951</u>		<u>£108,471</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



- Director

Approved by the Board on 13 May 2003

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2002**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents grants and management charges receivable and the total invoice value, excluding VAT, of activities held during the year.

Investments

Investments are included at cost less amounts written off. Profits or losses arising from disposals of fixed asset investments are treated as part of the result from ordinary activities.

2. STAFF COSTS

	31.12.02	31.12.01
	£	£
Wages and salaries	-	41,665
Social security costs	-	2,948
Other pension costs	-	3,062
	<u>-</u>	<u>47,675</u>

The average monthly number of employees during the year was as follows:

	31.12.02	31.12.01
Administration	-	1
Management	-	1
	<u>-</u>	<u>2</u>

3. OPERATING LOSS

The operating loss is stated after charging:

	31.12.02	31.12.01
	£	£
Auditors' remuneration	850	650
	<u>850</u>	<u>650</u>
Directors' emoluments and other benefits etc	-	-
	<u>-</u>	<u>-</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2002**

4. TAXATION

Analysis of the tax charge

The tax charge on the loss on ordinary activities for the year was as follows:

	31.12.02 £	31.12.01 £
Current tax:		
UK corporation tax	57	415
Prior year adjustments	-	189
	<u>57</u>	<u>604</u>
Total current tax	<u>57</u>	<u>604</u>
Tax on (loss)/profit on ordinary activities	<u>57</u>	<u>604</u>

UK corporation tax has been charged at 10% (2001 - 10%).

5. FIXED ASSET INVESTMENTS

		£
COST:		
At 1 January 2002		
and 31 December 2002		2
		<u>2</u>
NET BOOK VALUE:		
At 31 December 2002		2
		<u>2</u>
At 31 December 2001		2
		<u>2</u>
	31.12.02	31.12.01
	£	£
Unlisted investments	2	2
	<u>2</u>	<u>2</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

SESCA Enterprises Limited

Nature of business: Provision of courses and conferences

	%
Class of shares:	holding
Ordinary shares	100.00

	31.12.02 £	31.12.01 £
Aggregate capital and reserves	(7,618)	(8,586)
Profit/(Loss) for the year	968	(6,072)
	<u>968</u>	<u>(6,072)</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2002**

**6. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.02	31.12.01
	£	£
Trade debtors	174	3,157
Other debtors	307	703
Prepayments and accrued income	1,660	523
Amounts owed by subsidiary undertakings	8,459	8,459
	<u>10,600</u>	<u>12,842</u>

**7. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.12.02	31.12.01
	£	£
Bank loans and overdrafts	1,584	2,807
Other creditors	225	144
Social security & other taxes	281	-
Taxation	473	415
Accruals and deferred income	1,000	1,850
	<u>3,563</u>	<u>5,216</u>

8. ULTIMATE PARENT COMPANY

Control of the company rests with the directors, as disclosed on page 1. No one person or entity is in a position to exercise overall control of the company.

9. OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in payments of £27,500 per annum falling due between two and five years. Following the creation of a new Regional structure the company's offices were vacated in favour of its subsidiary, which thereafter discharged all liabilities relating thereto. However, the lease has not yet formally been assigned and the obligations thereunder remain those of the company.

10. RELATED PARTY DISCLOSURES

At the Balance Sheet date, £8,459 was owed by SESCO Enterprises Limited (2001 - £8,459), which is reflected under 'amounts owed by subsidiary undertakings' in note 6 above.

Accounting services in respect of the preparation of the statutory accounts were provided by A J Bennewith and Company, in which firm Anthony John Bennewith is the sole proprietor. The amount concerned was £250.

Last year's accounts were prepared by Brebner, Allen and Trapp, in which firm Charles Edward Hemming is a partner. An underprovision of £300 was made for the firm's services and this amount is reflected in the profit and loss account this year.

**Notes to the Financial Statements
for the Year Ended 31 December 2002**

11. RECONCILIATION OF MOVEMENTS IN RESERVES

	31.12.02	31.12.01
	£	£
(Loss)/Profit for the financial year	(10,520)	2,145
Net (reduction)/addition to reserves	(10,520)	2,145
Opening reserves	108,471	106,326
Closing reserves	97,951	108,471

12. COMPANY STATUS

Under the Memorandum of Association, every member of the company undertakes to contribute, in the event of winding up, such amounts as may be required, not exceeding £1.00.

13. CONTINGENT LIABILITIES

The company's wholly owned subsidiary SESCA Enterprises Limited had an excess of liabilities over assets at the balance sheet date. The financial statements of the subsidiary have been prepared on a going concern basis, which assumes that the company will be able to continue trading. However, if this does not prove to be the case, a call will be made on the company in respect of any shortfall pursuant to a letter of undertaking given by the Committee of Management. In this context it should be noted that the lease commitment referred to above is until 2007.

**South Eastern Society of Chartered
Accountants Limited**

**Trading and Profit and Loss Account
for the Year Ended 31 December 2002**

	31.12.02		31.12.01	
	£	£	£	£
Income:				
Grants received	-		68,864	
Events	9,566		9,010	
SESCA Enterprises	-		32,400	
		9,566		110,274
Cost of sales:				
Cost of events		16,125		9,857
GROSS (LOSS)/PROFIT		(6,559)		100,417
Other income:				
Newsletter advertising	800		5,205	
Rents receivable	-		14,205	
Other income - Student Society	-		1,250	
Interest receivable	2,269		4,155	
		3,069		24,815
		(3,490)		125,232
Expenditure:				
Wages and salaries	-		41,665	
Employers National Insurance	-		2,948	
Staff pension costs	-		3,062	
Redundancy costs	-		17,060	
Telephone and facsimilie	18		1,620	
Postage and despatch	1,419		1,513	
Printing and stationery	-		2,299	
Travel	1,999		7,042	
Enterprise	-		566	
Groups and activities	29		1,916	
Insurance	-		1,120	
Newsletter and annual report	-		11,181	
Equipment rental and maintenance	-		798	
Cleaning	-		624	
Office equipment	-		315	
I.T. and website costs	-		1,993	
Meetings	256		2,355	
Storage costs	491		210	
Miscellaneous expenses	1,318		264	
Audit	850		650	
Accountancy and other non-audit fees	550		550	
Rent and rates	-		21,838	
Light & heat	-		585	
		6,930		122,174
Carried forward		(10,420)		3,058

This page does not form part of the statutory financial statements

**South Eastern Society of Chartered
Accountants Limited**

**Trading and Profit and Loss Account
for the Year Ended 31 December 2002**

	31.12.02		31.12.01	
	£	£	£	£
Brought forward		(10,420)		3,058
Finance costs:				
Loan	-		276	
Bank and credit card charges	43		33	
		43		309
NET (LOSS)/PROFIT		£(10,463)		£2,749