

Registration number 3493607

South Eastern Society of Chartered Accountants Limited

Directors' report and financial statements

for the year ended 31 December 2003



South Eastern Society of Chartered Accountants Limited

Company information

Directors	A J Bennewith A Durrant C E Hemming S J Hurst M D Kimber J Knight R I Mackenzie A K Meadows S Pope A Spofforth
Secretary	C E Hemming
Company number	3493607
Registered office	3000 Cathedral Hill Guildford Surrey GU2 7YB
Auditors	Gibbons Mannington 20 Eversley Road Bexhill-on-Sea East Sussex TN40 1HE
Bankers	Barclays Bank Plc 90/92 High Street Crawley West Sussex

South Eastern Society of Chartered Accountants Limited

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South Eastern Society of Chartered Accountants Limited

Directors' report for the year ended 31 December 2003

The directors present their report and the financial statements for the year ended 31 December 2003.

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. The subsidiary company SESCO Enterprises Limited provides courses, conferences and other educational services related to the profession of Chartered Accountancy.

Directors and their interests

The directors who served during the year under review were:

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

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 the affairs of the company and of the profit or loss of the company for that year.

In preparing these the directors are required to:

- select suitable accounting policies and 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

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Gibbons Mannington be reappointed as auditors of the company will be put to the Annual General Meeting.

South Eastern Society of Chartered Accountants Limited

**Directors' report
for the year ended 31 December 2003**

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

This report was approved by the Board on 17 March 2004 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'R I Mackenzie', with a stylized flourish at the end.

**R I Mackenzie
Director**

South Eastern Society of Chartered Accountants Limited

Independent auditors' report to the shareholders 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 2003 which comprise the profit and loss account, the balance sheet and the related notes. 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 shareholders, 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 shareholders 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 shareholders 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 in the statement of directors' responsibilities the company's directors are responsible for the preparation of the 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 directors' report 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

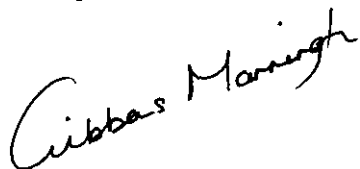
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

South Eastern Society of Chartered Accountants Limited
Independent auditors' report to the shareholders of South Eastern Society of Chartered Accountants
Limited continued

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gibbons Mannington
Chartered Accountants and
Registered Auditors
5 May 2004

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

South Eastern Society of Chartered Accountants Limited

**Profit and loss account
for the year ended 31 December 2003**

		Continuing operations	
		2003	2002
	Notes	£	£
Turnover	2	10,433	10,366
Direct costs		(16,233)	(16,125)
Gross loss		<u>(5,800)</u>	<u>(5,759)</u>
Administrative expenses		(4,013)	(6,973)
Operating loss	3	<u>(9,813)</u>	<u>(12,732)</u>
Investment income	4	10,000	-
Other interest receivable and similar income		1,649	2,269
Interest payable and similar charges		<u>(25)</u>	<u>-</u>
Profit/(loss) on ordinary activities before taxation		1,811	(10,463)
Tax on profit/(loss) on ordinary activities	5	-	(57)
Retained profit/(loss) for the year		<u>1,811</u>	<u>(10,520)</u>
Retained profit brought forward		97,951	108,471
Retained profit carried forward		<u><u>99,762</u></u>	<u><u>97,951</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 10 form an integral part of these financial statements.

South Eastern Society of Chartered Accountants Limited

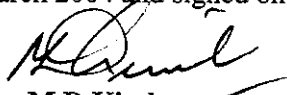
**Balance sheet
as at 31 December 2003**

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Investments	6		25,000		2
Current assets					
Debtors	7	29,745		10,600	
Cash at bank and in hand		55,443		90,912	
		<u>85,188</u>		<u>101,512</u>	
Creditors: amounts falling due within one year	8	<u>(10,426)</u>		<u>(3,563)</u>	
Net current assets			74,762		97,949
Net assets			<u>99,762</u>		<u>97,951</u>
Capital and reserves					
Profit and loss account			99,762		97,951
Equity shareholders' funds	9		<u>99,762</u>		<u>97,951</u>

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

The financial statements were approved by the Board on 17 March 2004 and signed on its behalf by

R I Mackenzie
Director


M D Kimber
Director

The notes on pages 7 to 10 form an integral part of these financial statements.

South Eastern Society of Chartered Accountants Limited

**Notes to the financial statements
for the year ended 31 December 2003**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

1.6. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating loss

	2003	2002
	£	£
Operating loss is stated after charging:		
Auditors' remuneration	850	850

4. Income from investments

	2003	2002
	£	£
Income from subsidiary undertakings	10,000	-

South Eastern Society of Chartered Accountants Limited

Notes to the financial statements for the year ended 31 December 2003

.....continued

5. Tax on profit/(loss) on ordinary activities

Analysis of charge in period	2003 £	2002 £
Current tax		
UK corporation tax	-	57

Factors affecting tax charge for period

The company is treated as a mutual association by the Inland Revenue and therefore is subject to tax on investment income only.

6. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 January 2003	2	2
Additions	24,998	24,998
At 31 December 2003	25,000	25,000
Net book values		
At 31 December 2003	25,000	25,000
At 31 December 2002	2	2

6.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held class	Proportion of shares held
Subsidiary undertaking			
SESCA Enterprises Limited	England	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves £	Profit for the year £
SESCA Enterprises Limited	38,507	31,127

South Eastern Society of Chartered Accountants Limited

**Notes to the financial statements
for the year ended 31 December 2003**

..... continued

7. Debtors	2003	2002
	£	£
Trade debtors	8,249	211
Amounts owed by group undertakings	8,461	8,459
Other debtors	2,783	270
Prepayments and accrued income	252	1,660
Dividend receivable	10,000	-
	<u>29,745</u>	<u>10,600</u>
	<u>29,745</u>	<u>10,600</u>
 8. Creditors: amounts falling due within one year	 2003	 2002
	£	£
Bank overdraft	-	1,584
Corporation tax	57	473
Other taxes and social security costs	1,611	281
Other creditors	7,708	225
Accruals and deferred income	1,050	1,000
	<u>10,426</u>	<u>3,563</u>
	<u>10,426</u>	<u>3,563</u>
 9. Reconciliation of movements in shareholders' funds	 2003	 2002
	£	£
Profit/(loss) for the year	1,811	(10,520)
Opening shareholders' funds	97,951	108,471
Closing shareholders' funds	<u>99,762</u>	<u>97,951</u>
	<u>99,762</u>	<u>97,951</u>

South Eastern Society of Chartered Accountants Limited

**Notes to the financial statements
for the year ended 31 December 2003**

..... continued

10. Financial commitments

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2003	2002
	£	£
Expiry date:		
Between one and five years	27,500	27,500

Following the creation of a new Regional structure the company's offices were vacated in favour of its subsidiary company, SESCA Enterprises Limited, which thereafter discharged all liabilities relating thereto. However, the lease has not been formally assigned and the obligations thereunder remain those of the company.

11. Related party transactions

The company has a current account with its subsidiary company, SESCA Enterprises Limited, and the amount due at 31 December 2003 was £8,461 (2002 - £8,459).

12. Controlling interest

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.