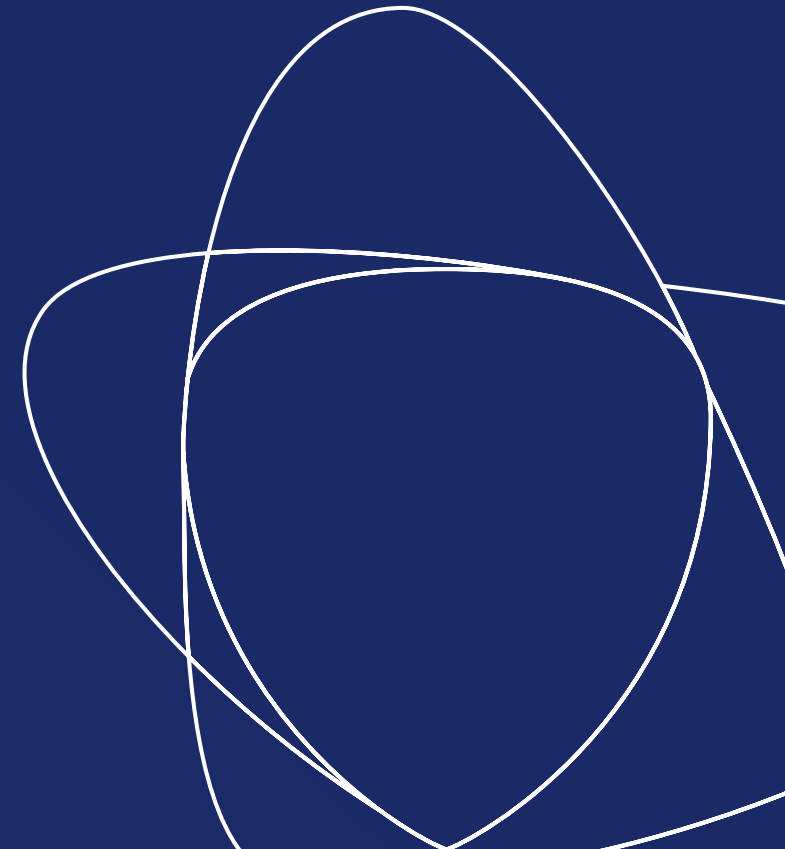




INSTITUTE OF
**FINANCIAL
ACCOUNTANTS®**

A MEMBER OF THE IPA GROUP

IFA Annual Review 2020/21



Contents



INSTITUTE OF
**FINANCIAL
ACCOUNTANTS**[®]

A MEMBER OF THE IPA GROUP

3 Foreword	
A moment to reflect	3
6 About us	
Who we are	6
The IFA senior management team	7
About our members	9
16 Response to the global pandemic	
Accountancy during the Covid-19 pandemic	16
Covid resources and support	17
18 Delivering strategy	
Strategic focus	18
Short-term and longer-term objectives	20
21 Professional conduct	
Our professional standards	21
Regulatory policy and practice	22
AML supervision	22
Compliance	22
Conduct	22
23 Reach and influence	
Our profile	23
Our representations	25
26 Operational approach	
Our plan	26
Branch network	27
Strategic partners	27
Learning	27
Publishing	27
28 Governance and risk management	
IFA governance	28
Risk management	29
The IFA: part of the IPA Group	29
IPA Group Board	29
IFA Board of Directors	30
36 Financial review	
38 Integrated reporting	
Integrated reporting reveals valuable insights	38
40 Financial statements	
Director's report	40
Auditor's report	43
Financial statements	47

All graphs, charts and statistics from the IFA/IPA Group unless stated otherwise

Reflecting on 2020/21



John Edwards, IFA CEO

A year to remember, and one we will never forget. As the financial year closed on 30 June 2021, many parts of the world were still very much amid the Covid-19 pandemic.

Working closely with our members, government, and the wider industry, the Institute of Financial Accountants (IFA) has had a uniquely front-line view of the highs and lows of 2020/21; a period of time that will always be remembered for transformation in response to the restrictions imposed to fight the pandemic.

At the time, the focus of many will have been on the challenges of Covid-19, but I feel a broader look and a bit of introspection reveals many positives to 2020/21, setting us up for an interesting, challenging, but overall encouraging future.

Many of you were challenged to take on a significant level of change in a very short period of time, working to understand and execute myriad government support schemes, and their subsequent developments. In the UK, there was the pressure of HM Revenue & Customs (HMRC) investigating fraud across the loan/grant schemes; accountants have been placed at the forefront more so than ever. In response, accountants rose to the challenges of keeping their own practices going, while supporting clients to the very best of their ability. This has often meant supporting businesses' very survival, and helping them restructure or refocus their efforts.

From both a UK and international perspective, we have continued to help members navigate through the extraordinary operating environment over this period.

A member support group was established in April 2020 to help members no matter where they were around the world. Information was made available via our Covid hub which received 2,241 unique page views.

At the same time, we transitioned and delivered over 138 CPD events, webinars and meetings online – engaging more than ever with members throughout the world. These included national branch meetings, local branch surgeries and strategic partner-led webinars covering a range of topics such as taxation, financial reporting and accounting treatment, charity accounting, practice development and wellbeing.

Our ambassadors and international representatives provided members with much needed help and support to those who lost their jobs because of the pandemic by connecting them where possible with opportunities in their local markets.

Naturally, despite these successes, there have been significantly increased personal



Ensuring members remain up to date with changes in legislation and regulations is a responsibility we take extremely seriously

John Edwards, IFA CEO

pressures. We have seen endless examples of our members burning the midnight oil while other sectors and workforces were furloughed.

Not all of our members have emerged from this period unscathed, with a significant impact on the health and wellbeing of our people, something we are keen to help mitigate against or help in recuperation.

On top of that, Covid-19 and the ensuing safety measures arguably compounded an already volatile global environment. However, my overarching experience of 2020/21 is that during this difficult and potentially damaging time, we are a sector that has shown overwhelming resilience, grit and determination; traits of which we should be very proud.

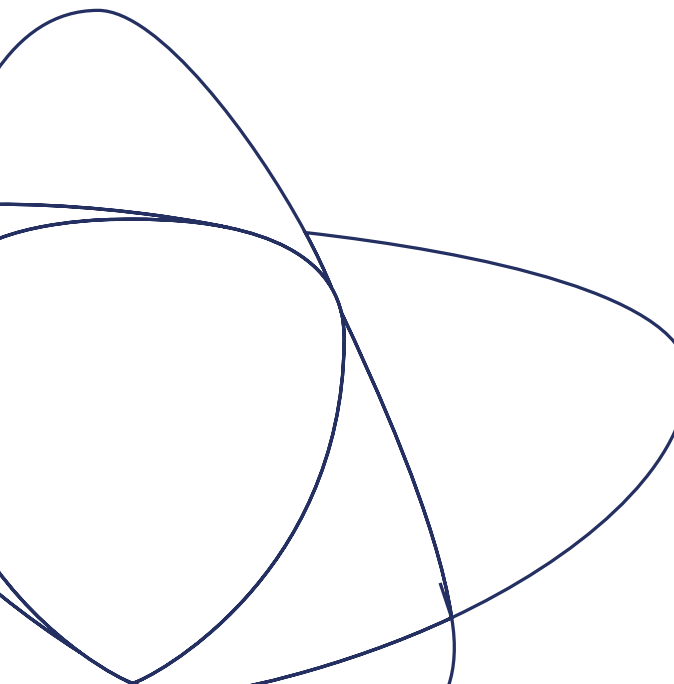
In our reflections, we must not forget the leaps forward we have made as a sector, either. We've seen accountants fulfilling the important role of trusted business adviser, providing much needed advice and direction, helping with immediate business survival and future-proofing of SMEs, as well as some huge successes in terms of steering and supporting innovative business model adoption, diversification, and e-commerce that businesses would never have had the confidence to try before.

Accountants have been pivotal in providing trusted advice, and should be exceedingly proud of their contribution to a changing business landscape.

What's more, there has also been an acceleration in digital adoption by SMEs and accountancy practices. They are evolving to handle Making Tax Digital, introduced cloud-based accounting systems, and virtual conferencing technology is now the norm. All of these have seen transformative growth, which is not only benefitting the sector, but giving accountants access to better, more real-time information about clients' businesses; supporting their ability to analyse, review, and advise clients much more effectively.

We too, as an organisation, have had a positive year on behalf of our members. The IFA has submitted nine consultation representations to government and secured some great sector wins, including a much-improved customer charter from HMRC.

Our focus has, and will, continue to be on supporting our members, member firms and students – even more so during this difficult period. We recognise the need to continue to operate within the regulatory framework and simultaneously raise the institute's profile, recognition and global growth as well as provide greater efficiency, greater effectiveness and greater member value. Our positive financial position during this period can be attributed to not only maintaining business as usual, but at the same time future-proofing the IFA by reviewing the way we work and making the necessary adjustments to budgets and cashflow forecasts.



Our efforts have continued over this period to develop the foundations to deliver global growth and compliance over the next decade, including:

- a review and development of back-office systems, processes and procedures focusing on more online solutions and services;
- a clear focus on global membership and student growth;
- providing greater member value through services provided, including a member support group, a Covid-19 resource hub, online blended CPD, workshops, branch meetings, *Financial Accountant* magazine and our weekly e-newsletter;
- managing performance and expenditure; and
- meeting our obligations as an anti-money laundering (AML) supervisory body, as well as being an educator, regulator, and provider of continuing professional development (CPD) to responsible professional accountants.

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended in 2019) (known as the 'Money Laundering Regulations' in this review) places new obligations and demands on member firms, as well as the IFA as a supervisory body. In the area of regulation our approach has been focused on education, in the hope that enforcement becomes less necessary. Ensuring members remain up to date with changes in legislation and regulations is a responsibility we take extremely seriously.

We risk assess every firm and undertake risk-based AML supervision on more than 1,800 firms a year.

During 2020/21 the **Office for Professional Body AML Supervision (OPBAS)** assessed the IFA's AML supervisory duties, for technical compliance and effectiveness requirements included in the OPBAS Source Book, Money Laundering Regulations and the Financial Action Task Force (FATF) standards, which indicates we provide effective and largely effective anti-money laundering supervision for our supervised firms in all areas assessed by OPBAS.

Our aim is to continue to grow, enhance our reputation in the professional and business community as well as with government, and to maintain the IFA's positive financial position. We have clear and defined strategies designed to grow membership and students, raise brand awareness and the quality and standards of members.

It is difficult to predict when we will be able to move fully beyond Covid, and whether the vaccines will aid recovery swiftly for 2021 and beyond, but hopefully there will be fewer surprises in the coming years.

About us

The IFA is part of the IPA of Australia Group, the world's largest SME-focused accountancy organisation.



OUR WHY

To improve the quality of life of small business



OUR VISION

For every small business to have one of our members by their side



OUR VALUES

We respect our membership

We respect and foster flexibility

We respect and foster innovation

We respect each other

We respect that we're ALL on the same team

IFA Senior Management Team

The IFA's Senior Management Team are responsible for, and are committed to, implementing and delivering on the group's strategic strategy, initiatives and policies. This is to ensure we continually deliver a wide range of services to our membership that add value no matter whether you're in public practice or business.

Through our extensive network of stakeholders in industry and government, the IFA Board and senior management team continue to influence the direction of accounting within the UK and provide relevant and timely professional education programmes to our members around the world.



John Edwards
IFA CEO

Prior to taking on the role of CEO of the IFA in April 2015, John held several senior roles, working both in the private and not-for-profit sectors in companies of all shapes and sizes, gaining a wealth of experience. John is a fellow member of the IFA and of the Institute of Public Accountants of Australia (IPA). John worked for the Institute of Chartered Accountants (ICAEW) for many years, as well as a range of SMEs/SMPs as a business consultant, helping them to strategically develop and grow their businesses. He was also the chief operating officer of a venture capital business investing and developing companies across many sectors, including: construction, information technology, motor sport, events and marketing, charities, cruise liners, and airlines.



Jolene Van Wyk
senior executive assistant to the CEO and deputy MLRO

Jolene is responsible for providing comprehensive support to the CEO, IFA Board of Directors, International Executive Committee, Members Advisory Group, Senior Management Team and international agents. She also manages the annual renewal process, finance, payroll, AML training and reporting processes.

Before coming to the UK, she owned and managed a company in South Africa. She has experience as a bookkeeper, personal assistant, payroll administrator and operational manager.



Anne Davis

director of professional standards

Anne has overarching accountability for ensuring high-quality monitoring and supervision of members with robust frameworks for regulatory, ethics and disciplinary matters.

She is a qualified chartered accountant with a 25 year-plus career, including 15 years' experience in regulation, risk, compliance and change management, plus a background in finance, audit, tax, and insolvency. Anne participates in various key external stakeholder meetings, is chair of the Accountancy AML Supervisors' Group (AASG) and a charity trustee, and is involved in the Charity Trustee Engagement strand for the Charity SORP.



Jonathan Barber

head of business development and marketing

Jonathan is a business studies graduate who has worked for the IFA since 2012. Jonathan has spent 25 years working with accountants in business and practice, from smaller practitioners to larger firms, SME-sized entities and stock market-listed organisations.

In his role as head of business development, Jonathan is responsible for membership growth, education growth including IFA Direct students, endorsed programmes and the IFA Diploma in IFRS, commercial partnerships, and the delivery of an ongoing, blended continuing professional development programme.



Jane Capaldi

head of operations, membership and education

Jane Capaldi is head of operations and joined the IFA in 2010. She manages the membership and education teams and has responsibility for HR, operations and oversees IT support requirements.

Jane worked as qualifications policy & development manager at the Institute of Leadership and Management and was previously research and development manager at the Management and Enterprise NTO.

Jane completed her Masters degree in European Studies after living in Switzerland for some years.

About our members

Our members work within micro and small to medium-sized enterprises (SMEs) or in micro and small to medium-sized accounting practices (SMPs) advising micro and SME clients.

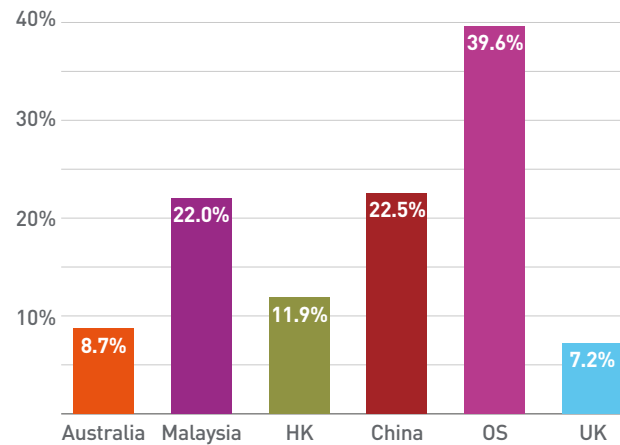
We recognise the role of SMEs as vital wealth creators, as employers to more than half of the UK's private sector workforce and as the power behind vibrant urban and rural communities.

We hold the interests of SMPs in the accounting profession in equal regard. We are proud of our unique relationship with our members, who predominantly come from an SME/SMP background.

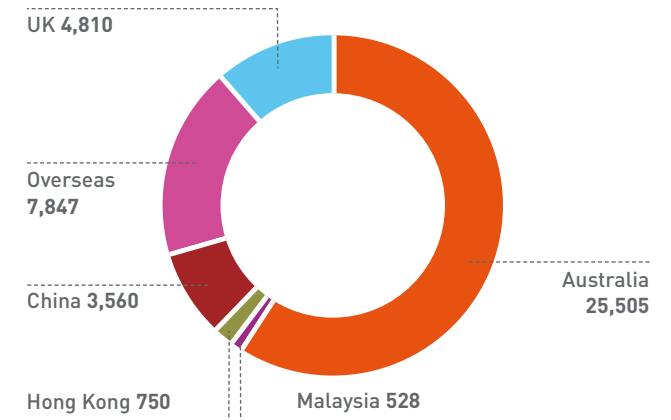
As an international professional accountancy body and as part of the IPA Group, we aim to provide the very best support and guidance to our members who operate within this arena, frequently tailoring policies and recommendations to meet the unique challenges and trading relationships associated with smaller business.

Our aim is to continuously meet the needs of SMEs within the UK and throughout the world. We offer a range of services and benefits that have been specifically chosen as part of our focus on supporting our members within the SME/SMP sector.

Gross member growth by market



Active + retired + students





International Federation of Accountants Top 20 member organisation

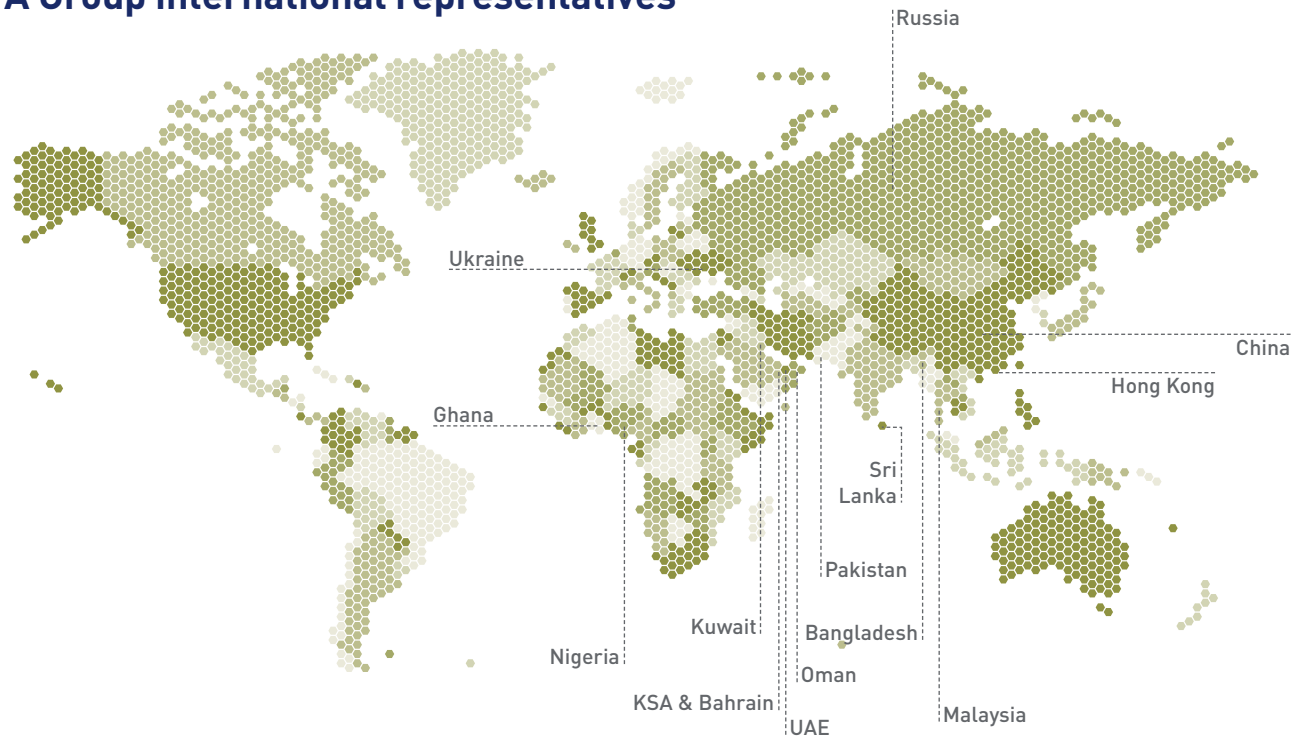


Recognised by HM Treasury to regulate our members for the purposes of the Money Laundering Regulations 2017 and 2019



In partnership with ATHE, a global awarding organisation regulated by Ofqual and its network of recognised centres, to deliver the IFA online education programme and pathway to membership

IPA Group international representatives





7,000+

group practising members



60%

Operate in public practice as either a sole practitioner or owner/employee of a small practice. Practice size varies from 1-10 employees and practice-based members manage a client base of between 50-1,250 clients (clients being micro and smaller businesses, start-up companies, sole traders, and sub-contractors)



35%

Operate in business across multiple sectors and within micro, small and medium-sized entities. Members in business hold the title of company accountant, finance manager, financial controller or finance director



5%

Fully retired with some volunteering and working with charities



46,000+

Members & students worldwide*

80+

Members in 80+ countries

2,800+

Growth in members globally

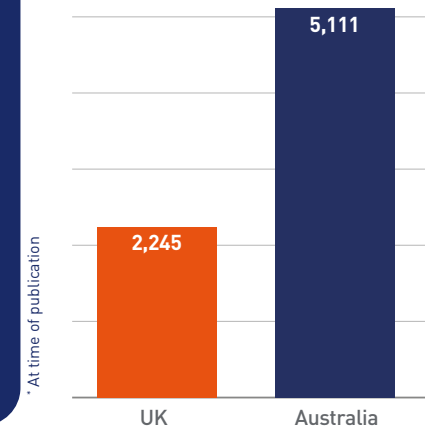
1,200+

Growth in students globally

* At time of publication



Members who hold UK or Australian practising certificates



Top achievements for 2020/21

- Successfully continued 'business as usual' throughout the pandemic
- Provided members with timely help, support and guidance via the IFA Covid-19 Resources for Small Business Hub and the Member Support Group hub
- Financial performance targets met
- Seamless transition to offering online CPD provision – engaging and reaching out to more members around the world than ever before
- Launched the new IFA Direct education programme and pathways to membership in March 2021
- Grew IFA/IPA Group membership and students
- Grew partnership and endorsed programmes
- Introduced revised IFA bye-laws and regulations (effective from 1 January 2021)
- Increased the group's voice via articles and responses to government consultations
- Increased international reach with 12 IPA Group representatives covering 14 countries
- OPBAS supervision assessment indicated that the IFA provides effective and largely effective anti-money laundering supervision for our supervised firms in all areas assessed by OPBAS
- Increased desktop monitoring/quality assurance visits to supervised firms
- Playing an active role with UK Government's Economic Crime Plan

Our members' views

The IFA's magazine, *Financial Accountant*, speaks to members about their views of the institute. Here's what they've said to us in the last year.

Why is the future bright with the IFA?



Ayoub Khan

I'm privileged and honoured to be an IFA member, working in accountancy and developing my knowledge and skills. The IFA keeps me up to date with law, taxation policy and compliance.



James Hope

I've found the institute close-knit and easier to engage with than others. They're proving very proactive – and are a developing organisation. I hope to be involved where I can.



Bolanle Nnaji

I get to work and strategise with brilliant minds in the institute. I will also have the opportunity of inspiring upcoming professionals and be a role model.



Julius Gyimah

With the IFA as part of the IPA Group, I will definitely stand out with a combination of two powerful countries' accounting qualifications. This will give me an advantage for the future.

Regional views

We also catch up with our regional ambassadors and representatives. Here's what they said about working with the IFA within their local community.

How does the IFA work with business, people and your community?



Ikram Ul-Haq

The IFA sits very nicely in the right position to support SMEs, and I've been very fortunate to [represent] the East Midlands region. Our local network is supported very well by central office, and then further supported by local members using a Whatsapp group where any issues are discussed for the benefit of members and their clients.



Uri Steinberg

The IFA, as opposed to other bodies I've been involved with, truly works hand-in-hand with their members based on their specific wants and needs. When we have our Manchester and regional meetings they actually ask members what they want.



Olanrewaju 'Larry' Sharafa

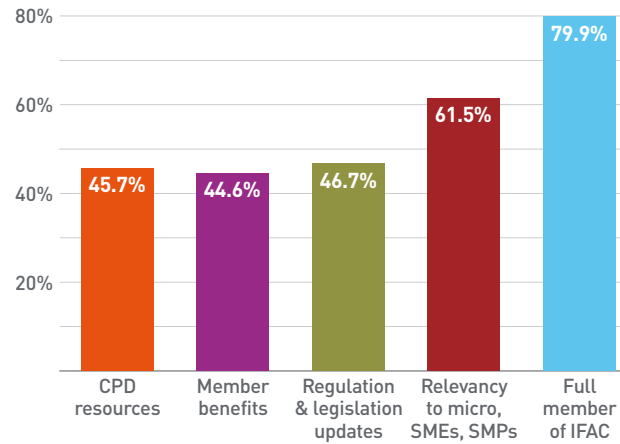
I'm engaging with the IFA in the UK to deploy virtual CPD programmes, which bring together IFA members in Nigeria and experts via webinars.



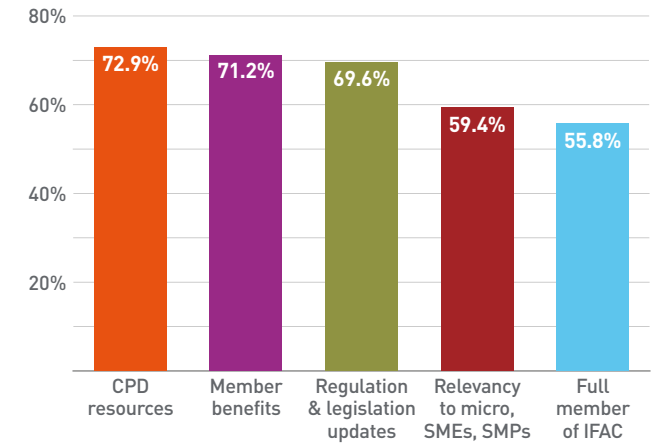
Ian Clark

We work exceptionally closely with London South Bank University and others, and with their students. We try and place them in work experience and jobs with IFA members, which is really successful – we placed nine students with IFA London members [in 2019/20].

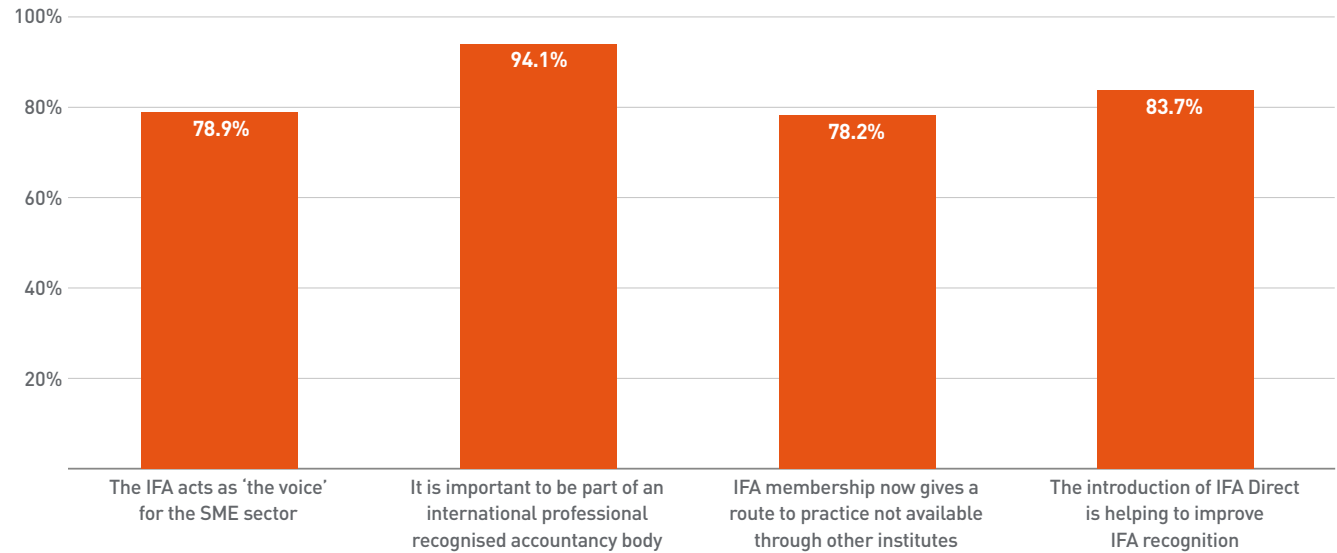
Why people join us



What our members value



Agreement with various statements about the IFA



Response to the global pandemic

Accountancy during the Covid-19 pandemic

As a professional accountancy body with more than 2,400 members in public practice, serving more than 750,000 businesses across the SME sector in the UK, the institute had a uniquely front-line view of the profession over the last year.

As we tentatively look forward to a less turbulent 2022, with hope rising in the form of mass vaccination across the world, it is difficult not to reflect on the Covid era and the impact it has had on the accountancy sector.

While other sectors took advantage of furlough, and many businesses closed temporarily, accountants were arguably the key workers of the business services sector, continuing to operate while at the same time handling a significant level of turbulence and a host of new responsibilities.

First, there were government support schemes to understand and then apply for clients, which presented significantly increased workloads as businesses sought to stay afloat. Next, there was adapting to the pressure of 'getting it wrong', as HMRC announced fraud investigations into those businesses suspected of exploiting the support schemes for personal gain. Then there was the additional client support needed, delivering on the role of critical friend and trusted adviser, as businesses and clients sought to streamline, diversify, pivot and

even entirely change their business model in a locked-down world.

Accountants were, and continue to be, at the forefront of all these changes, at the same time maintaining their normal routines of tax returns, payrolls, annual accounting and much more besides. To say our sector stepped up is an understatement.

With these triumphs came a lot of personal pressures and sacrifices, particularly in handling astronomical workloads and highly concentrated deadlines. Not everyone escaped unscathed. There continues to be a significant impact on the health and wellbeing of people in our sector; something which I hope will improve over the coming months.

Despite this, our overarching experience of the pandemic so far is that it is a sector that has shown overwhelming resilience, grit and determination, traits of which accountants should be very proud.

The IFA believes the pandemic has provided a springboard that will continue to shape the sector – mostly for the better, despite the obvious challenges. We have seen significantly accelerated adoption of digital software solutions, both by accountants and their clients, to improve transparency and efficiency.

It has impacted other areas positively, too. Training and development is being delivered much more effectively online, which can only provide gains for the sector. We believe that these advances will become further embedded over the coming months and will support the sector to become more advantageous to their clients; accountants working with better quality, real-time information to analyse, review and advise clients more effectively. It is a move into a new era of accountancy, where we are chosen first and foremost as critical friends to the businesses that work with us.

The UK has already taken significant strides to roll out vaccinations, with tens of millions having received their double dose, and the vulnerable accessing booster jabs. This gives significant hope of an end to the pressing Covid challenges, and hopefully a reduction in pressure for our sector, which we are sure many are looking forward to.

So, assuming there are no significant shifts in how the virus behaves, nor the expectations of the government and businesses, our attention must instead turn to the deadlines of the future, and the legislative and regulatory changes we will need to get to grips with next.

Covid resources and support

Online resources We created the IFA Covid-19 Resources for Small Businesses Hub, which pulled together information about government schemes, health and safety, fraud, HR and financial reporting to support our members – and help them support their staff and clients.

Member Support Group A support group was set up in April 2020. The group was comprised of volunteers, drawn from IFA staff, board directors and branch ambassadors. The group's aim was to offer ongoing support to members seeking guidance, or a sounding board covering a range of matters arising as a result of the pandemic.

CPD The IFA changed the way it delivered CPD to members and students, as a result of lockdowns. Since April 2020, all CPD has been delivered online via the use of Zoom webinars and Zoom meetings. The range of CPD offered both in the UK and internationally has significantly increased and has included online national branch meetings, local branch surgeries, strategic partner-led webinars and a host of webinar series covering topics such as taxation, financial reporting & accounting treatment, charity accounting, practice development and wellbeing.



2,241 Hub unique page views

Delivering strategy

Strategic focus

This is underpinned by maintaining a sound financial base as we continue investing in the expansion of the organisation; that our processes are fit for purpose and our people are well placed to deliver the best service possible to our members. The IPA Board, the IFA Board and Executive have reviewed the IPA Group's strategic direction, having exceeded its targets for the 2020/21 year and has now recalibrated its strategic plan up to 2025.

Our members work within micro and small to medium-sized enterprises (SMEs), or in micro and small to medium-sized accounting practices (SMPs) advising micro and SME clients.

We recognise the role of our SME/SMP members as vital wealth creators, as employers

to more than half of the UK's private sector workforce and as the power behind vibrant urban and rural communities.

Our aims are to:

- provide the very best support and guidance to our members who operate within this arena, frequently tailoring policies and recommendations to meet the unique challenges and trading relationships associated with smaller business;
- continuously meet the needs of SMEs within the UK and throughout the international market; and
- offer a range of services and benefits that have been specifically chosen as part of our focus on supporting our members within the SME/SMP sector.

The strategy of the IPA Group is based on five strategic themes:



The IPA Group has maintained its strategic focus while supporting our members and the public during an intense year of adverse weather conditions and the global Covid-19 pandemic. We have identified a series of service areas required to execute the strategies. These service areas are not designed to reflect the organisational structure of the IPA Group, rather the broad functional areas within the group:



Group culture



Brand awareness and alignment with culture



Advocacy and influence



Member knowledge



Member support and value



Business operations

The IPA Group's growth strategy is focused on financial viability while we sustainably grow our business, which ensures the ongoing delivery of enhanced benefits to all members. To facilitate this, the IPA Group has rolled out a shared infrastructure and shared service model that also includes integrated marketing and communications. This allows us to optimise our recruitment, renewal and reinstatement activities, and best utilise our trained and focused business development staff across the organisation.

Our strategic plan, which extends to 2025, has been ratified by the IPA Board and IFA Board and remains as the core focus of the IPA Group. This reinforces our reason for being: to improve the quality of life of small business. Internally, the IPA Group has continued its Fit for the Future programme aimed at ensuring our team is appropriately skilled and focused to deliver the best service possible to members. Part of this is about having the right people in the right roles to deliver; ensuring they have the opportunity to train, develop and grow to be the best they can be for successful outcomes for themselves, the organisation and our members.

Short-term and longer-term objectives

Short-term objectives

- Implement the growth strategy through the implementation of the integrated marketing communications plan.
- Continue to integrate the international operations to optimise efficiency, create revenue streams and enhance the member experience to help deliver a return on investment to the IPA Group.
- Support members' growth and diversity as they move into the financial services regulatory regime or broader areas of holistic business advice.
- Progress the establishment of the IPA Group identity as part of a longer-term aspiration in line with the global growth strategy.
- Deliver an enhanced and coordinated CPD programme, both online and in-house, to optimise efficiencies and to enhance member knowledge and growth.

Longer-term objectives

- Leverage the shared infrastructure and shared services platform to drive business efficiency.
- Integrate the Association of Accounting Technicians' (Australia) operations to the IPA Group to build a greater level of support and career pathways for members.
- Provide educational pathways, products and services, CPD and communications that deliver tangible benefits to members and support their growth and prosperity.
- Expand the integrated marketing communications plan by tailoring to meet the needs of the international operations.
- Build the IFA and IPA brands by focusing on enhanced market positioning and greater recognition for our members and the IPA Group.
- Deliver a rigorous risk and governance framework that provides appropriate mitigation and reporting.
- Develop an enhanced value proposition for students to optimise conversion opportunities.

Professional conduct

Our professional standards

The IFA is committed to the highest ethical and professional standards. Central to this commitment is our uncompromising pursuit of the public interest. We want members of the public to have confidence in the work, recommendations and conduct of our members.

Our commitment to act in the public interest manifests itself in a number of ways:

- having exacting criteria for routes to membership, which involves a qualification, experience and training;
- requiring members to adhere to the IFA's bye-laws, regulations, standards and guidance;
- ensuring members meet the required standards for conduct and competence by fulfilling their continual professional development obligations;
- having a robust regulatory function supported by disciplinary procedures to ensure that members meet our standards of professional conduct and competence;
- investigating complaints about a member's conduct or competence, in accordance with the IFA's disciplinary regulations; and
- responding to public consultations on matters which affect the future of the accounting profession.

The work of professional standards is conducted by four main teams:

- **Regulatory policy and practice** - develop, review and maintain the IFA's bye-laws and regulations by which our members, firms and affiliates are governed;
- **AML reviewers** - help to ensure that our firms comply with Money Laundering Regulations and standards, CPD requirements and provide advice on practice management;
- **Compliance** - provide support and guidance to members and firms on current and emerging areas of compliance activity to preserve high professional standards of our members, firms and affiliates; and
- **Conduct** - regulate and discipline members, firms and students. The team also investigates complaints which may result in disciplinary action from our independent conduct committees.

In addition, the professional standards team will initiate and respond to consultations on issues that relate to our regulatory responsibilities. As part of this process, we invite the views of IFA members and individuals and firms supervised by the IFA, as well as other key stakeholders.

Regulatory policy and practice

During 2020/21, we reviewed and re-drafted our bye-laws and regulations to simplify and enhance the robustness of the IFA's regulatory framework. The key outcome of the review was to identify efficiencies and improvements that will, collectively, serve to raise the IFA brand. The revised bye-laws and regulations became effective on 1 January 2021. As part of our drive for continuous improvement, we will continually review our regulatory framework to support the achievement of the highest professional standards for our members, firms and affiliates.

AML supervision

The IFA is a supervisory body recognised by HM Treasury for the purposes of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended in 2019) (known as the 'Money Laundering Regulations' in this review).

We supervise firms and individuals to address and mitigate money laundering risks, ultimately reducing the potential/actual harm to clients and the public from criminal activities. During 2020/21, we supervised 1,846 firms and conducted 197 monitoring reviews. Our approach to supervision is risk-based, proportionate, collaborative, educational and dissuasive. We apply a robust framework to help firms and individuals meet standards and hold them to account when these standards are not met. Further information on our AML supervision and monitoring is [available here](#).

Compliance

The compliance team, in conjunction with the AML reviewers' team, supervises and monitors IFA firms and members to ensure they meet the expectations, requirements and standards in the IFA bye-laws and regulations, including the IFA Code of Ethics.

The compliance team reviews firm returns and supporting documentation to monitor adherence to regulatory responsibilities and standards and other applicable laws and regulations. For example, the team monitors adherence to the [IFA Licensed Scheme for ATOL Reporting Accountant work](#). This was set up in 2016 after the Civil Aviation Authority (CAA) gave approval for IFA to license, register and monitor firms which perform ATOL returns work.

Conduct

The conduct team investigates complaints for consideration by the IFA's conduct committees. The IFA's regulatory and disciplinary committees, known as conduct committees, are independent of the IFA's other activities. The work of this team is overseen by the Office for Professional Body Anti-Money Laundering Supervision, as well as through the IFA governance process. Types of complaints heard by the IFA's conduct committees include failure to complete and submit returns to the IFA, failure to co-operate with the AML review process and with the IFA, persistent non-compliance with the Money Laundering Regulations, poor client service as well as dishonest behaviour.

Reach and influence

Our profile

We continue to raise our profile by regularly posting relevant material on our social media channels and working with a communications agency, APT Marketing and PR. They secure regular coverage in the accountancy media for opinion pieces on subjects relevant to SMEs and SMPs, which has helped to create a growing awareness of our work.



3,900+

Twitter impressions



30

articles in the accountancy press



6,200+

LinkedIn followers



3

press releases



9,700+

Facebook followers



24

UK branch regions meetings per annum



179

YouTube subscribers



400+

Attendees at three regional conferences



200+

average registrations per online webinar



4,000+

subscribers to the *Financial Accountant* bi-monthly magazine



9

responses to Government consultations



Achievements

Signed Memorandum of Understanding with:

- The Institute of Authorised Chartered Auditors of Albania
- Lithuanian Association of Accountants & Auditors
- The Institute of Accounting, Auditing & Finance of Kosovo

The agreements focus on offering reciprocal membership, continuing professional development programmes and events, and the promotion of the IFA Direct education programme and pathway to professional AFA/MIPA membership.

Accredited Training Providers for the IFA Diploma in IFRS UK, Russia, Ukraine, Pakistan, Peru

11 University partnerships

Degree programmes mapped against the IFA Direct education programme

IFA website
www.ifa.org.uk

62,085

page views per month

11,850

unique visitors per month



IFA digital platform

www.financialaccountant.co.uk



6,600

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32%

newsletter open rate



9

representations

We continue to represent members at numerous meetings with HMRC, HM Treasury, the Home Office, UK Finance, the National Crime Agency, the National Economic Crime Centre and many other key stakeholders

Our representations

The IFA has maintained a strong advocacy effort throughout the year, building on the organisation's reputation of representing the best interests of members, small business, the public and the broader economy.

With the advent of the pandemic, the IFA worked in collaboration with HMRC, the British Business Bank and other stakeholders to provide support and advice in relation to government initiatives such as the self-employment income support scheme (SIESS), Coronavirus Job Retention Scheme (CJRS) and enhanced time to pay for self-assessment taxpayers. Throughout the period, the IFA participated in numerous meetings and initiated the Covid-19 resources for small business hub on the IFA website, weekly newsletters and promoted relevant webinars.

We have submitted representations on tax issues, Companies House reforms and the Economic Crime Levy – with some major successes. For example, HM Treasury took on board our representation and that of other professional bodies to exempt small firms (those below £10.2m) from the Economic Crime Levy which will be applied from the 2022/23 fiscal year.

We continue to represent members at numerous meetings with HMRC, HM Treasury, the Home Office, UK Finance, the National Crime Agency, the National Economic Crime Centre and many other key stakeholders.

Examples include the HMRC Compliance Reform Forum, HMRC Strategy Group, HMRC Stakeholder Group, and HMRC Charter Stakeholder Group. Various meetings have been held to progress the actions included in the Economic Crime Plan 2019 to 2022, such as: collaborating on threat assessments; reviewing barriers, powers and legal gateways for information sharing; improved information sharing between professional bodies and the law enforcement; clarification of sanctions powers, education and awareness raising of economic crime threats; recovery of proceeds of crime; and development of stronger public-private partnerships.

The IFA also chaired the Accountancy AML Supervisors' Group (AASG), a forum in which professional bodies work collaboratively to develop accountancy sector supervisory policy to promote consistency in standards and best practice. Further information on the purpose of the group and other information and intelligence sharing groups is [available here](#).

Operational approach

Our plan

Our aim has been, and will continue to be, to grow membership, students, and brand awareness, enhance our reputation in the professional and business community as well as with government, and to maintain the IFA's and the IPA Group's positive financial position.

We will achieve this by continuing to uphold the highest quality and standards and representing the "voice" of members when lobbying or responding to government consultations.

Our clear and defined strategies will provide greater efficiency, greater effectiveness, and greater member value in all areas.

Our focus and deployment of resources shall continue to be targeted to:

- improve recognition of the IFA and the IPA Group;
- improve and increase our technical support services;
- strengthen our innovation and digitisation strategies;
- increase member support and engagement;
- improve our education portfolio;
- improve the accessibility to information;
- improve member and student experiences;
- strengthen our approach to international markets and build on our new markets and alliances;
- improve member offerings and benefits;
- improve the delivery of high-quality CPD programmes for members;
- build a focus on sustainability and the future of the profession;
- improve staff opportunities to grow and develop; and
- improve internal capacity to ensure the IPA Group can adequately fulfil its functions as an international professional accounting body.

Branch network

The IFA branch network in the UK covers 16 locations, from Scotland to Kent and from East Anglia to Northern Ireland. The UK branch network is supported by 12 branch ambassadors who operate in a voluntary capacity.

Internationally, the IFA has 12 representatives covering the following countries: Bangladesh; Ghana; Nigeria; Pakistan; Russia; Ukraine; United Arab Emirates; Saudi Arabia; and Sri Lanka. Each international representative supports the IFA to build brand awareness and local recognition, to grow member and student numbers and to arrange local CPD.

From 1 July 2020 to 30 June 2021 the IFA hosted 102 free webinars and 36 paid-for webinars.

Strategic partners

Through a selective number of strategic partnerships, IFA members benefit from specific helplines, cloud accounting software, reduced rates for professional indemnity and fee protection insurance, and support relating to wealth management, insolvency, technology, funding and tax relief matters. In addition, members have access to up-to-date content via the IFA digital platform.

Learning

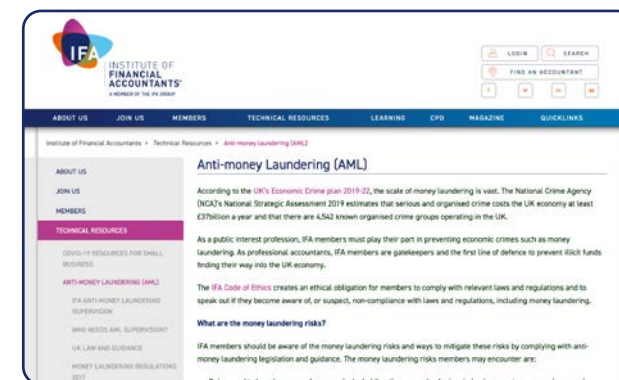
We continue to invest to ensure our study is relevant to meet the needs of our members.

The IFA has developed an online education programme called IFA Direct, providing access to membership through an Ofqual-awarding organisation, ATHE. This programme ensures that members have the relevant behaviours, skills and knowledge to operate successfully in the marketplace.

Our Diploma in IFRS qualification has been re-developed for our accredited partners throughout the world. We also work with a global network of training providers to endorse quality accountancy and business programmes, as well as universities in the UK and globally to provide pathways to membership.

Publishing

We work with two publishers to deliver our key publications. Redactive Media Group publishes *Financial Accountant*, our member magazine, six times a year, and Momentum Media Group publishes the weekly e-newsletter and financialaccountant.co.uk website.



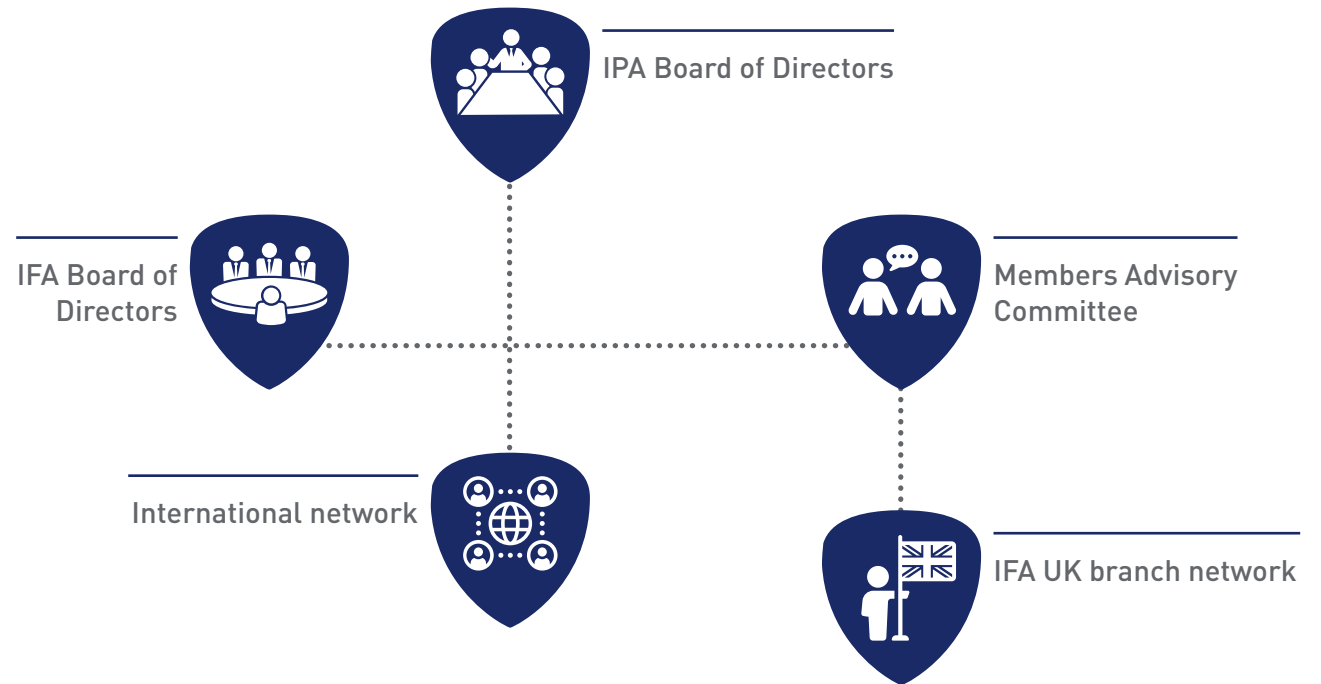
Governance and risk management

IFA governance

The Institute of Financial Accountants (IFA) is an internationally-recognised professional accountancy membership body whose members work for small and medium-sized enterprises (SMEs), or run/work in small and medium-sized accounting practices (SMPs) that advise SMEs.

The IFA amalgamated with the Institute of Public Accountants (IPA) of Australia in January 2015. The IFA is part of the IPA Group and a full member of global accounting standard-setter and regulator the International Federation of Accountants (IFAC). We are also recognised by HM Treasury, and the Financial Services Authority in the Isle of Man, to regulate our members for the purposes of compliance with the Money Laundering Regulations.

John Edwards is the CEO of the IFA based in the UK, and Andrew Conway is the IPA Group CEO based in Australia.



Risk management

The risks faced by the IPA Group will present themselves in numerous forms, with the potential to impact on many aspects of the organisation including: strategic objectives; financial performance; regulatory compliance; reputation and operational performance; and business continuity.

We are committed to a risk management system that is integrated into all organisational activities and supports the necessary resource allocation to managing risks at the appropriate responsible levels.

The IPA Board has ultimate responsibility to ensure a sound framework of risk oversight. The responsibilities are carried out by the Board Audit and Risk Committee under the respective terms of reference. The Senior Management Team and the Group Executive implements control mechanisms that include the establishment of policies for the management and disclosure of material risks.

The IFA Senior Management Team and Group Executive is responsible for the implementation of the risk management policy, the resources required to effectively execute the policy and the effective communication of risks to the IPA Board.

The IFA: part of the IPA Group

The phrase 'IPA Group' is used to describe the IFA and the IPA in aggregate.

Each has separate, but related, boards and separate constitutions. Therefore, the IFA and IPA are accounted for as unique entities for management, legal and financial accounting purposes.

The IPA Group is neither a separate legal entity nor an entity for taxation purposes. Taxation is not payable by the IPA Group but by the individual entities.

For financial accounting purposes, because the IFA is wholly owned by the IPA, the financial results of the bodies need to be consolidated in accordance with Australian Accounting standards.

These consolidated results will be those of the IPA Group.

IPA Group Board

The governing body of the IPA Group is the IPA Group Board of Directors. The board of directors has responsibility for the management and control of the IPA Group and of its funds.

The board is made up of IPA Group members from a range of backgrounds. The board comes together regularly throughout the year to agree and oversee the strategic direction for the group.

► **Julie Williams – IPA Group Board chair**

IFA Board of Directors

The governing body of the IFA is the IFA Board of Directors. The IFA board comes together regularly throughout the year to oversee the strategic direction for the IFA as a member of the IPA Group, and has the authority to appoint members to the IFA Members Advisory Committee.

► **Julie Williams – IFA Board chair**

IPA Group Board of Directors and IFA Board of Directors



Julie Williams FIPA FFA
president and chair, IPA
Group Board and IFA Board

Julie has been an IPA member since 2003, having served as Queensland divisional councillor since 2008. She was the chair of the National Divisional Council from 2010 until her election to the board in 2017.

Julie was appointed president and board chair in 2020, having previously held the positions of deputy president of the IPA and chair of the IPA Disciplinary Committee. She is also a member of the Board Executive and Board Remuneration committees.

Julie was a partner in PPB before moving to public practice as a registered liquidator in 2006. She is a fellow of the IPA, a fellow of the CPA, holds an MBA and an MPA. She is a member of the Association of Certified Fraud Examiners, the Australian Institute of Company Directors, Australian Restructuring Insolvency and Turnaround Association, and the Association of Independent Insolvency Practitioners.



**Cheryl Mallett FIPA CTA SSA
GAICD**
deputy president, IPA Group
Board

Cheryl has been an IPA member since 1996 and a board member since November 2018. As a graduate of the Australian Institute of Company Directors, Cheryl has more than 30 years' experience as an income tax specialist/adviser. She is also an accredited specialist SMSF adviser and SMSF auditor.

Cheryl was winner of the 2016 IPA Northern Territory and National Practice of the Year and 2019 AMP Women in Finance – Regional Professional of the Year. Cheryl is a deputy president, sitting on both the Board Executive Committee and the Association of Accounting Technicians (AAT) Steering Committee, and chairs the Board Audit and Risk Committee. She has recently been appointed as a director of AAT Australia.



Jason Parker FIPA FFA GAICD
deputy president, IPA Group
Board

Jason served on the Tasmanian Division of the IPA as president from 2005 to 2007. He was elected to the IPA Board in November 2008. Jason is a deputy president and currently sits on the Board Executive Committee and is chair of the Board Disciplinary Tribunal.

He is a graduate of the Australian Institute of Company Directors, a registered tax agent, SMSF auditor and registered migration agent. He holds a Bachelor of Commerce, a Diploma in Financial Services, Graduate Certificate in Applied Finance, a Graduate Certificate in Australian Migration Law and Practice and an MBA.

He is currently studying a Bachelor of Laws. Jason is a director and chairman of five unlisted public companies in sectors including roadside maintenance, recreational aviation, food recycling, aquaculture and land-based drones.



Damien Moore FIPA FFA
director, IPA Group Board
and IFA Board

Damien has been the South Australia/Northern Territory director since 2010. He was board president and chair for four years and also held the positions of vice president and deputy president.

Damien currently sits on the Board Executive Committee, Board Remuneration Committee and Board Membership Committee. He has served as the South Australian/Northern Territory divisional president along with other positions within the Divisional Council.

A graduate member of the Australian Institute of Company Directors and registered tax agent, Damien has worked in the accounting and finance industries for more than 25 years and operated his own accounting firm, along with working for ASX-listed companies. He holds a Master of Commerce (Professional Accounting) through the University of New England.



Nordin Zain FIPA FFA
director, IPA Group Board

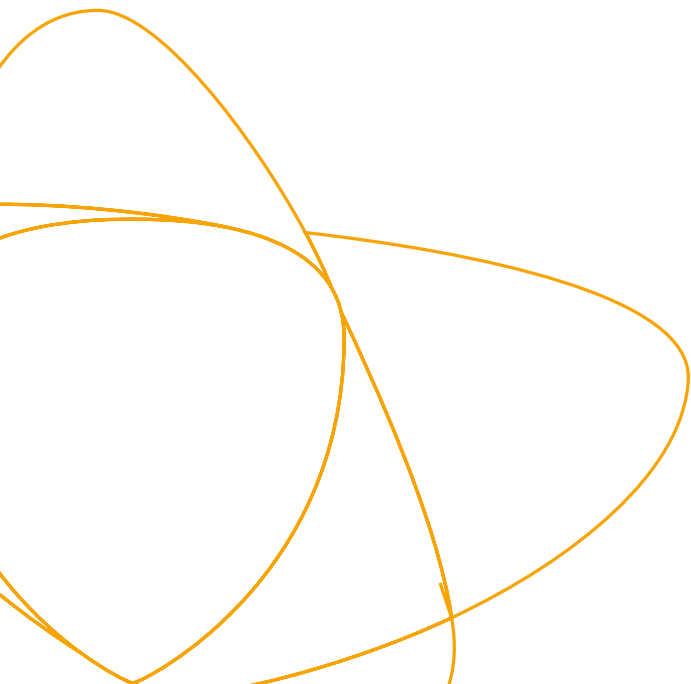
Dr Nordin is a chartered accountant, and an ex-partner of Deloitte South East Asia. He now serves on the boards of several public companies in Malaysia, including Gopen Limited (Renewable Energy) where he is also the chairman of the Audit Committee; Ambank Islamic (banking) as a board member and the Audit Committee chairman, UDA Property Development, as a board member and the Audit and Risk Committee chairman and AIA subsidiary.

Dr Nordin was the CEO of the Malaysian Accounting Standards Board for ten years and a lecturer of Accounting and Strategic Management. He is a member of the Malaysian Institute of Accountants and the Institute of Directors New Zealand. He is currently chair of the IPA Board Membership Committee, and actively involved in SMEs in Malaysia.



Linda Bernard FIPA FFA
director, IPA Group Board

Linda joined the IPA Western Australia Divisional Council in 2007, then became the president for four years before being nominated and elected as a director. Linda is currently chair of the Board Remuneration Committee. She has been a public practitioner since 2000, and is a registered tax agent, holds a Bachelor of Commerce in Accounting and Financial Planning from Curtin University and a Master of Commerce in Professional Accounting from UNE. Linda is also a graduate of the Australian Institute of Company Directors.





Michael Colin FCA FFA FIPA
director, IPA Group Board
and IFA Board

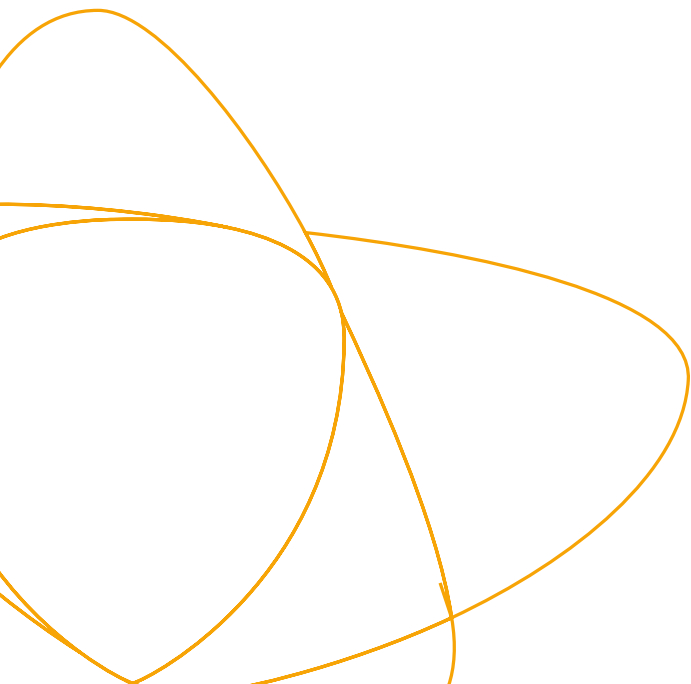
As a chartered accountant, Michael established a traditional UK regional accounting firm. His passion throughout his professional career has been the micro and small enterprise sector. In an academic career, he taught in and researched aspects of the micro and small enterprise field. While serving on the ICAEW Council, Michael was invited to join the pre-merger IFA Council and subsequently co-opted and then elected to the IPA Board.

Michael was chief executive of Make It Happen in Sierra Leone, an educationally-focused charity and now manages a Covid-19 grant-making fund in Manchester. Michael has served on the Board Membership Committee and currently sits on the Board Audit and Risk Committee, which he previously chaired for two years.



Mike Mooney FIPA FFA
director, IPA Group Board

Mike has been an IPA member since 1996. He studied a Bachelor of Commerce at the University of NSW. He moved from Sydney to Canberra to take up a role in business services and tax with PricewaterhouseCoopers. He completed a Business (Accounting) degree and then worked as a corporate financial accountant for ten years before establishing his own public accounting practice in 1996, specialising in tax and small business services in the ACT. He was appointed to the IPA Board in November 2017 and currently sits on the Board Membership Committee.





**Associate professor
Luckmika Perera FFA FIPA
GAICD**

director, IPA Group Board

Associate professor Luckmika Perera is an experienced accountant and business consultant, specialising in the areas of integrated reporting, sustainability, cloud and mobile learning and educational program design and development.

He has worked in a number of senior roles in industry and academia. Professor Luckmika was one of the key architects of the IPA Program. He is a foundation member of the Integrated Reporting Consortium in Australia set up by Deakin University, KPMG and University of NSW and the Deakin Integrated Reporting Centre. Luckimika has a Non-Profit Board Leadership Certificate from Harvard University, a Strategic Leadership Certificate from University of Michigan, PhD in Environmental Accounting, three Masters degrees (Accounting Global Business and Educational Leadership & Administration) and an honours degree in Information Systems (specialising in Artificial Intelligence & Cloud Security).

He has served as a director since November 2019 and currently sits on the Board Audit and Risk and Board Remuneration Committees.



**Alexandra Korfiatis
FFA FIPA**

director, IPA Group
Board

Alex has been an IPA member since 2005 and a director since November 2019. She currently serves as deputy chair of the Board Disciplinary Tribunal and previously sat on the Board Audit and Risk Committee. Alex holds a Bachelor of Business majoring in Accounting and Business Law, and is a member of CPA Australia, a chartered tax adviser with the Taxation Institute of Australia, an affiliate member with Chartered Accountants Australia and New Zealand, a member of National Tax Accountants Australia and a registered tax agent.

Alex is a public accounting practitioner with more than 30 years' experience in the accounting, tax and business advisory sectors. She is currently a director and partner of Forrester Korfiatis Chartered Accountants, a well-established public accounting practice located in Sydney.



Professor Andrew Conway FIPA FFA
director, IFA Board

A former Australian Government Treasury Ministry chief of staff, Andrew holds the record of being the youngest CEO of a public entity, appointed at just 28 years of age in 2009. Andrew has represented Australia at a range of international events including APEC, G20 and World Trade Organisation summits. His academic background and qualifications are in commerce, education and commercial law.

In 2001 Andrew was awarded the Centenary of Federation Medal through the Order of Australia. Andrew was also awarded the 2011 Young Professional of the Year award and was appointed a professor of Accounting (honoris causa) at Shanghai University of Finance and Economics and is an adjunct professor at Deakin University and Lanzhou University in China. He has held statutory positions including board director of large government agency Eastern Health in Victoria.

Andrew was announced as one of the AFR Boss Magazine's Young Executives of the Year in 2014, and in 2015 was announced as the Young Alumni of the Year of Deakin University, and is a current Vice Chancellors' distinguished fellow.

Andrew leads the transformation of the IPA and pioneered the policy development of the landmark Australian Small Business White Paper. He has consolidated the IPA's position in the global profession through leading the successful acquisition of the IFA in the UK to create the IPA Group.



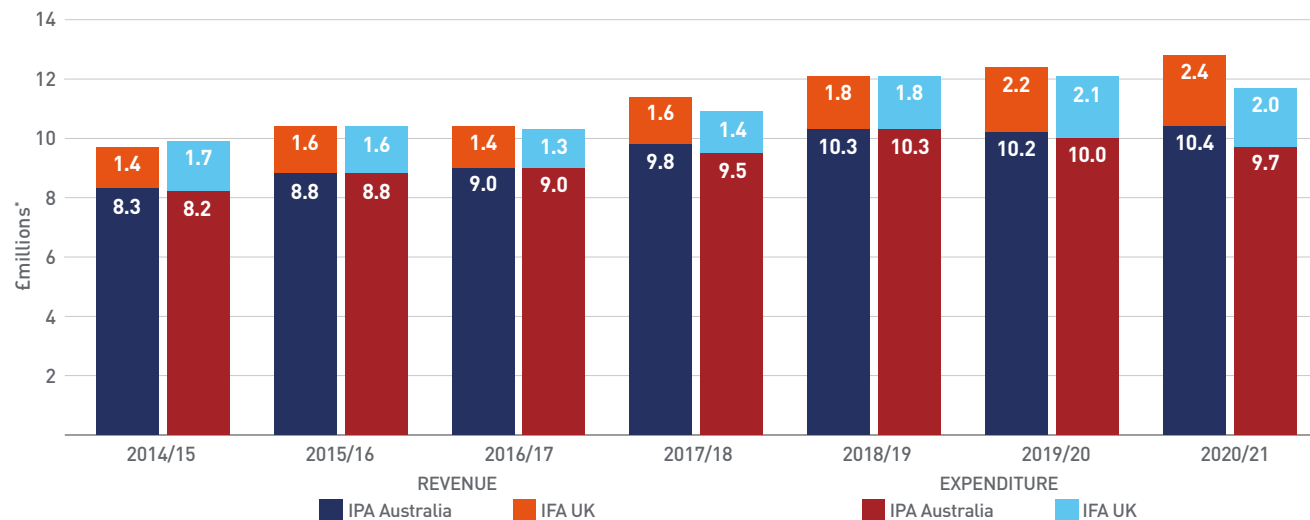
Ian Hornsey FFA FIPA
director, IFA Board

Ian is the managing director and owner of Devonports Accountants, a practice he began in 1994. Ian is a director of the IFA Board, national chairman of the Members Advisory Committee and the IFA branch ambassador for Essex.

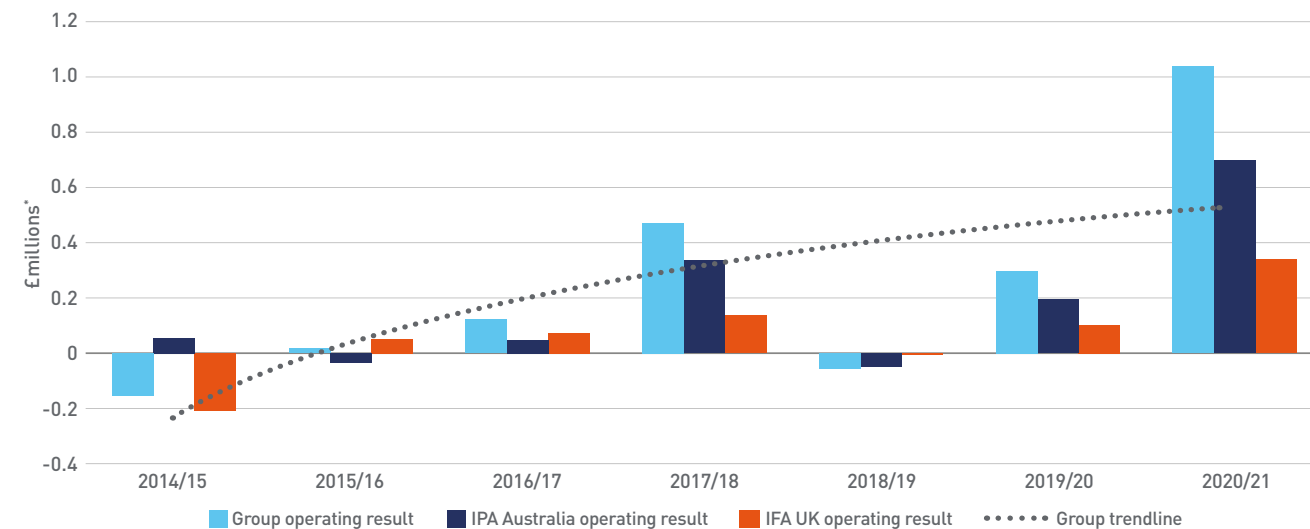
Financial review

IPA GROUP RESULTS

Group revenue and expenditure

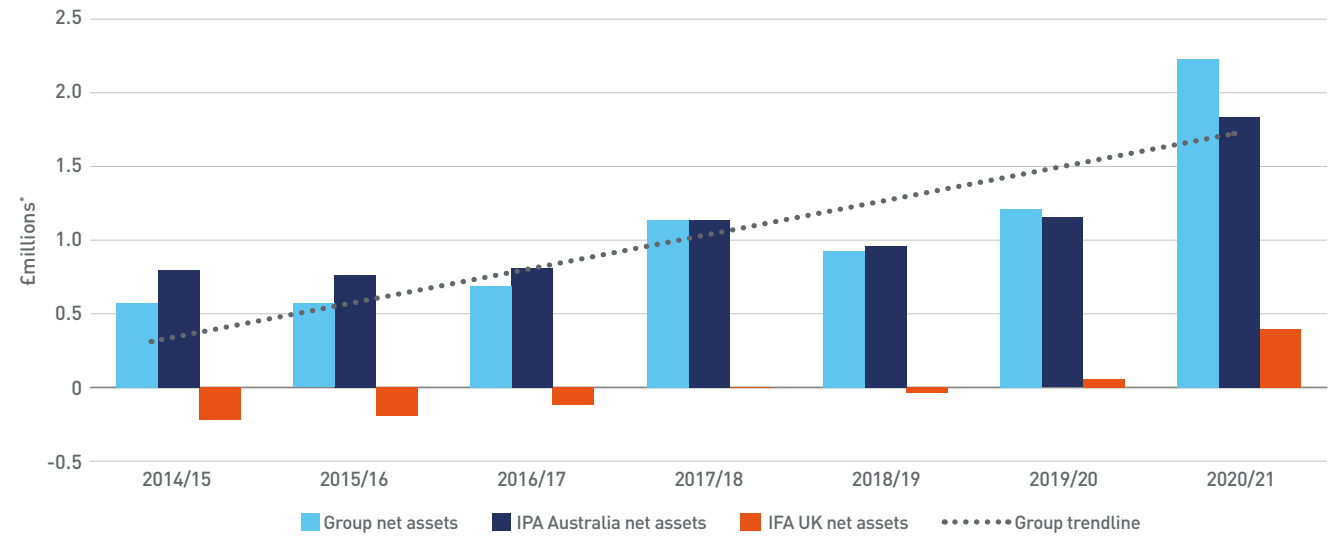


Group operating result

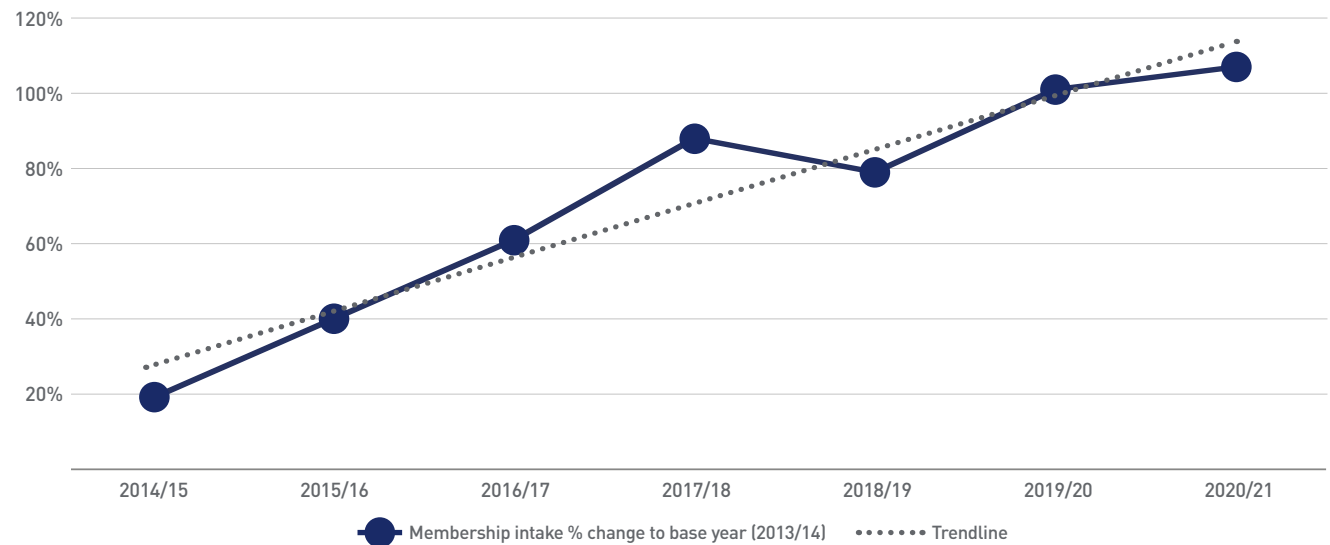


* GBP amounts have been converted as at rates applicable at 30 June 2021

Group net assets



Group member intake % change to base year



* GBP amounts have been converted as at rates applicable at 30 June 2021

Integrated reporting

Integrated reporting reveals valuable insights

The IPA Group is using integrated reporting to gain a deeper, more holistic, understanding of the organisation

Investors everywhere have been wanting more than financial information to make their investment decisions for a long time now, and integrated reporting is greatly improving the quality of reporting of information on everything from competitive threats to the impact of technology on your business.

Integrated reporting helps organisations

think holistically about their strategies, make informed decisions, and manage key risks.

Working for the benefit of 46,000+ members and students, the IPA Group has taken the first steps towards balancing financial and non-financial information to capture a broader understanding of all the key value drivers of its own business and that of its members, placing greater emphasis on external stakeholder engagement to gain a broader perspective that will be sustainable for the long term in this fast-changing world.

The IPA Group's five key principles of integrated reporting

1. Aligning our internal operations for greater integration, incorporating the concepts of integrated thinking. This includes breaking down silos through a new structure internally, and streamlined and interconnected reporting lines.
2. Aligning internal performance metrics to include financial and non-financial targets. This includes intangibles such as social, relational, and environmental capital, and broadly embraces the Global Reporting Initiative (GRI) standards and the United Nations' Sustainable Development Goals (SDGs).
3. Extending the external report to incorporate the principles of integrated thinking and reporting from a six-capital perspective which incorporates resources other traditional financial and manufactured capitals.
4. Training senior management and those charged with governance in integrated thinking and reporting to ensure they understand the benefits of the framework and that the initiatives are endorsed by the board. Training programmes will be progressively rolled out to all staff.
5. Aligning the risk management framework within the IPA Group to incorporate elements of integrated thinking and reporting and realigning its strategy to include broader risk categories in line with new global principles.

What is 'integrated thinking'?

The discipline of making a deliberate and coordinated effort to connect organisational strategy, governance, performance and prospects to unleash better business outcomes, accountability and communication.

How will integrated thinking and reporting benefit IPA Group members?

- It shows how the IPA Group as a member organisation creates value.
- It provides for better decision making to enhance accountability and performance over the short, medium, and long terms.
- Its world-class disclosure practice supports better business through a more sustainable approach to value creation.

Financial statements

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The directors present their report and the financial statements for the year ended 30 June 2021.

Directors

The directors who served during the year were:

A Conway

D Moore

M Colin

I H J Hornsey

J A Williams

Business performance

The surplus for the year, after taxation, amounted to £344,976 (2020 - £98,082).

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006.

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 the 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;
- state whether they have been prepared in accordance with IFRS in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps

as are reasonably open to them to safeguard the assets of the Company and to prevent and detect 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 and other information included in directors' reports may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the Company during the year was the representation of financial accountants in industry, commerce, public administration and private practice to contribute to policy evolution. This includes training, CPD, regulation and representing their views and those of their clients to Governmental and other appropriate bodies.

Business review

I am pleased to present the company's accounts for the year ending 30 June 2021. Despite the pandemic I'm delighted to report that we have achieved a surplus of £344,976 for the period under review (2020: surplus £98,082; 2019: deficit £6,429).

The pandemic brought about a period of uncertainty for members, accounting practices and businesses around the world. During this period, we have seen the accountancy sector rise to the challenge, not only keeping their own accountancy practices going, but also

advising and supporting their SME clients in staying afloat and encouraging change in business culture. My overarching experience of 2020/21 is that as a sector, during this difficult and damaging time, we have and continue to show overwhelming resilience, grit and determination, traits for which we should be very proud. I sincerely hope that when you are reading this review, things will have certainly changed for the better and on behalf of the IFA Board, I would like to thank you for your support throughout the financial year.

During this difficult period the focus has continued to be on supporting members, member firms and students, even more so, and raising the Institute's profile, recognition and global growth as well as providing greater efficiency, greater effectiveness, and greater member value.

Our positive financial position can be attributed to maintaining business as usual but at the same time future proofing the Institute by reviewing and making the necessary adjustments to cashflow forecasts and the way we work. The substantial reduction in expenditure can be directly attributed to the measures taken due to the pandemic including the cancellation of all face-to-face CPD events, travel and the renegotiation of office rental cost.

We have successfully transitioned to a blended approach by providing members with good quality online education and continuous professional development that has enabled the Institute to reach out and engage proactively

with more members throughout the world. Support for mental health and wellbeing for members has been equally, if not more, important given the social and economic fallout from the pandemic.

We introduced ATHE, a global awarding organisation regulated by Ofqual and other UK and international regulators, back in February 2021 as our new training provider for our online enhanced education programme IFA Direct. The launch of the new programme in March 2021 has been extremely well received with the IFA welcoming many more new students who will be our members of the future.

Changes in the byelaws, regulations and sanctions guidance continued to support the regulatory and disciplinary committee to ensure members continued to maintain the highest ethical and professional standards as expected by the public and recognition as a global professional accountancy body.

Our supervisory assessment was held in May 2021 by the Office for Professional Body AML Supervision (OPBAS) to review the effectiveness of our supervisory approach to AML and counter-terrorism financing and they were pleased with our commitment to developing our AML supervisory regime and the effectiveness of our risk-based approach, governance, supervision and information sharing between supervisors and public authorities.

Our aim is to continue to grow and maintain the IFA's positive financial position, membership and student growth and brand awareness by

upholding the highest quality and standards and representing the "voice" of members when lobbying or responding to government consultations.

Your continued and loyal support is very much appreciated.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Small companies' exemption note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Auditors

The auditors, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

J A Williams, Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INSTITUTE OF FINANCIAL ACCOUNTANTS

Opinion

We have audited the financial statement of The Institute of Financial Accountants for the year ended 30 June 2021 which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies set out on pages 14 - 16. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) in conformity with the requirements of the Companies Act 2006.

In our opinion the financial statement:

- give a true and fair view of the state of the Company's affairs as at 30 June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs in conformity with the requirements of the Companies Act 2006; 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 auditors' responsibilities for the audit of the

financial statement 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 statement in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the director use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the report, other than

the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 Strategic report and the directors' report for the financial year for which the financial statement are prepared is consistent with the financial statement; and
- the Strategic report 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 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 statement are not in agreement with the accounting records and returns; or
- certain disclosures of director remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the director responsibilities statement, the directors are responsible for the preparation of the financial statement 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 statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 statement.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

Alexander Peal BSc (Hons) FCA DChA (Senior statutory auditor) for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor
Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 £	2020 £
Revenue	5	2,461,316	2,212,345
Gross surplus		2,461,316	2,212,345
Administrative expenses		(2,075,554)	(2,119,674)
Surplus from operations		385,762	92,671
Finance income		35	129
Finance expense		(251)	(1,329)
Surplus before tax		385,546	91,471
Tax (expense)/credit	8	(40,570)	6,611
Surplus for the year		344,976	98,082
Total comprehensive income		344,976	98,082

The notes on pages 52 to 61 form part of these financial statements.
There was no other comprehensive income for 2021 (2020: £NIL).

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	9	245,117	88,560
Intangible assets	10	166,579	175,490
		411,696	264,050
Current assets			
Trade and other receivables	11	140,204	217,307
Cash and cash equivalents		1,300,845	837,976
		1,441,049	1,055,283
		1,852,745	1,319,333
Total assets			
Liabilities			
Non-current liabilities			
Lease liabilities	13	133,241	-
		133,241	-
Current liabilities			
Trade and other liabilities	12	1,232,122	1,235,960
Lease liabilities	13	107,698	48,664
		1,339,820	1,284,624
		1,473,061	1,284,624
Total liabilities			
Net assets			
		379,684	34,709
Issued capital and reserves			
Retained earnings		379,684	34,709
		379,684	34,709
TOTAL EQUITY			

The financial statements on pages 47 to 61 were approved and authorised for issue by the board of directors and were signed on its behalf by:

J A Williams, Director

The notes on pages 52 to 61 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Retained earnings £	Total equity £
At 1 July 2019	(63,373)	(63,373)
Comprehensive income for the year		
Surplus for the year	98,082	98,082
Total comprehensive income for the year	<u>98,082</u>	<u>98,082</u>
At 30 June 2020	34,709	34,709
At 1 July 2020	34,708	34,708
Comprehensive income for the year		
Surplus for the year	344,976	344,976
Total comprehensive income for the year	<u>344,976</u>	<u>344,976</u>
At 30 June 2021	<u>379,684</u>	<u>379,684</u>

The notes on pages 52 to 61 form part of these financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	£	£
Cash flows from operating activities		
Surplus for the year	344,976	98,082
Adjustments for		
Depreciation of property, plant and equipment	126,764	165,088
Amortisation of intangible fixed assets	8,911	8,911
Gain on sale of property, plant and equipment	(2,823)	-
Net loss arising on financial assets classified as held for trading	(293)	-
Lease charges	19,107	9,146
Net foreign exchange loss	2,721	3,423
Income tax expense	40,570	(6,611)
	539,933	278,039
Movements in working capital:		
Decrease/(increase) in trade and other receivables	74,382	(6,337)
(Decrease)/increase in trade and other payables	(44,035)	7,799
Net cash from operating activities	570,280	279,501

Continued on page 51

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

Continued from page 50

	2021	2020
	£	£
Cash flows from investing activities		
Purchases of property, plant and equipment	(6,849)	(12,470)
Net cash used in investing activities	(6,849)	(12,470)
Cash flows from financing activities		
Repayment of bank borrowings	-	(163,787)
Payments of finance lease creditors	(100,562)	(169,576)
Net cash used in financing activities	(100,562)	(333,363)
Net cash increase/(decrease) in cash and cash equivalents	462,869	(66,332)
Cash and cash equivalents at the beginning of year	837,976	904,308
Cash and cash equivalents at the end of the year	1,300,845	34,709

The notes on pages 52 to 61 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Reporting entity

The Institute of Financial Accountants is a limited company incorporated and domiciled in the United Kingdom. The Company's registered office is at given on page 1. The Institute of Financial Accountants principal activities are set out in the Directors report on page 3.

The Company is controlled by The Institute of Public Accountants which is headquartered in Melbourne, Australia. The Company is limited by guarantee without share capital.

2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations in conformity with the requirements of the Companies Act 2006 (collectively IFRSs). They were authorised for issue by the Company's board of directors on August 2021.

Details of the Company's accounting policies, including changes during the year, are included in note 3.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgements and estimates have been made in preparing the financial statements and their effects are disclosed in note 4.

2.1 Basis of measurement

The financial statements have been prepared on the historical cost basis.

3. Accounting policies

3.1 Revenue

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The membership subscription year commences on 1 January of each year when the annual subscription is due for the year ending 31 December. Subscriptions received during the period for future membership subscription years are carried forwards as deferred income.

Other revenue derived from the rendering of a service is recognised upon the delivery of service and the associated performance obligations are satisfied.

3.2 Foreign currency

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income.

3.3 Taxation

Income tax expense represents the sum of the tax currently payable.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and

items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.4 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Plant & Equipment	3-5 years
Leasehold Improvements	3 years

3.5 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Learning materials 3 years

3.6 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Company's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is tested for impairment annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is allocated to reduce the carrying amount. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3.7 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.8 Going concern

The company's operations has continued to operate successfully during the COVID-19 pandemic and given the provision of professional accountancy memberships, this industry has been largely unaffected. The company has substantial cash reserves and, having reviewed the recent results and the cash flow forecasts, the directors are confident that the company can and will continue to operate as a going concern for the foreseeable future. Therefore the financial statements are prepared on a going concern basis.

3.9 Defined contribution schemes

Contributions to defined contribution pension schemes are charged to the statement of comprehensive income in the year to which they relate.

4. Accounting estimates and judgements

4.1 Critical judgements in applying accounting policies Revenue recognition

The key judgement made by management in respect of revenue is the point at which that revenue should be recognised. Management consider that revenue is to be recognised in line with the membership year, all income received in respect of the subsequent subscription year is deferred.

On implementation of the IFRS 15 judgement has been made regarding the performance obligations and associated rights afforded to members to ensure revenue is recognised to reflect the consideration the Company expects to be entitled to in exchange for their services.

4.2 Key sources of estimation uncertainty

Useful lives of intangible assets

The Company establishes a reliable estimate of the useful life of intangible assets acquired on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired assets, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Useful lives of property, plant and equipment

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Taxation

The Company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience with previous tax submissions. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

5. Revenue

The following is an analysis of the Company's revenue for the year from continuing operations:

	2021	2020
	£	£
Membership subscription & fees	2,460,288	2,210,559
Other income	1,028	1,786
	<u>2,461,316</u>	<u>2,212,345</u>

6. Employee benefit expenses

Employee benefit expenses (including directors) comprise:

	2021	2020
	£	£
Wages and salaries	969,228	870,622
National insurance	98,931	91,633
Defined contribution pension cost	33,420	30,110
	<u>1,101,579</u>	<u>992,365</u>

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the directors of the Company listed on page 40. Aggregate emoluments for key management personnel in the year was £150,837 (2020: £147,097).

The average monthly number of employees, including directors, during the year was 25 (2020: 21).

7. Auditors' remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	7,000	6,540
Non-audit services	4,350	4,310
	<u>11,350</u>	<u>10,850</u>

8. Tax expense

8.1 Income tax recognised in surplus

	2021	2020
	£	£
Current tax		
Current tax on surplus for the year	40,570	-
Deferred tax expense		
Origination and reversal of timing differences	-	(6,611)
Tax expense	40,570	(6,611)
	<u>40,570</u>	<u>(6,611)</u>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to surplus for the year are as follows:

	2021	2020
	£	£
Surplus for the year	344,976	98,082
Income tax credit/expense (including income tax on associate, joint venture and discontinued operations)	40,570	(6,611)
Surplus before income taxes	<u>385,546</u>	<u>91,471</u>
Tax using the Company's domestic tax rate of 19% (2020: 20%)	73,254	18,294
Expenses not deductible for tax purposes, other than goodwill, amortisation and impairment	10,843	14,575
Capital allowances for the year in excess of depreciation	20,214	27,407
Adjustments to tax charge in respect of prior periods	372	3,200
Other timing differences leading to an increase/ (decrease) in taxation	8,398	(8,925)
Non-taxable income	(70,572)	(60,247)
Surplus before income taxes	(1,939)	(915)
Total tax expense	<u>40,570</u>	<u>(6,611)</u>

Changes in tax rates and factors affecting the future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the main corporation tax rate will increase to 25%. As a result of the rate change the corporation tax expense for the period has increased and the deferred tax liability has increased. The impact of these changes is not expected to be material.

9. Plant and equipment

	Right-of- Use Assets	Plant & Equipment	Total
	£	£	£
Cost or valuation			
At 1 July 2019	331,989	102,720	434,709
Additions	-	12,470	12,470
Disposals	-	(8,484)	(8,484)
At 30 June 2020	331,989	106,706	438,695
Additions	308,067	6,849	314,916
Disposals	(331,989)	(4,701)	(336,690)
At 30 June 2021	308,067	108,854	416,921

	Right-of- Use Assets	Plant & Equipment	Total
	£	£	£
Accumulated depreciation and impairment			
At 1 July 2019	144,249	49,282	193,531
Depreciation for the year	144,249	20,839	165,088
Disposals	-	(8,484)	(8,484)
At 30 June 2020	288,498	61,637	350,135
Depreciation for the year	106,390	20,374	126,764
Disposals	(301,173)	(3,922)	(305,095)
At 30 June 2021	93,715	78,089	171,804
Net book value			
At 1 July 2019	187,740	53,438	241,178
At 30 June 2020	43,491	45,069	88,560
At 30 June 2021	214,352	30,765	245,117

10. Intangible assets

	Goodwill £	Learning materials £	Total £
Cost			
At 1 July 2019	194,106	46,515	240,621
At 30 June 2020	194,106	46,515	240,621
At 30 June 2021	194,106	46,515	240,621
	Goodwill £	Learning materials £	Total £
Accumulated amortisation and impairment			
At 1 July 2019	9,705	46,515	56,220
Amortisation for the year	8,911	-	8,911
At 30 June 2020	18,616	46,515	65,131
Amortisation for the year	8,911	-	8,911
At 30 June 2021	27,527	46,515	74,042
Net book value			
At 1 July 2019	184,401	-	184,401
At 30 June 2020	175,490	-	175,490
At 30 June 2021	166,579	-	166,579

Goodwill reflects the costs of acquiring the Federation of Tax Advisers and the former Institute of Financial Accountants.

Learning materials reflect development costs for the education online learning materials and obtaining Ofqual/QCF accreditation.

11. Trade and other receivables

	2021 £	2020 £
Trade receivables	23,305	34,731
Trade receivables - net	23,305	34,731
Prepayments and accrued income	66,669	108,523
Other receivables	50,230	74,053
Total trade and other receivables	140,204	217,307

Trade receivables at 30 June 2021 include amounts billed in advance for membership subscriptions, practising certificates and anti-money laundering services due for renewal from 1st January each year. The Company's exposure to credit risk is disclosed in note 14.

Other receivables include rental deposits.

12. Trade and other payables

	2021	2020
	£	£
Trade payables	75,852	82,912
Payables to related parties	1,374	5,789
Other payables	2,796	3,176
Accruals	77,564	65,113
	<hr/>	<hr/>
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	157,586	156,990
Other payables - tax and social security payments	70,826	73,361
Deferred income	1,003,710	1,005,609
	<hr/>	<hr/>
Total trade and other payables	1,232,122	1,235,960
Less: current portion - trade payables	(75,852)	(82,912)
Less: current portion - payables to related parties	(1,374)	(5,789)
Less: current portion - other payables	(73,622)	(76,537)
Less: current portion - accruals	(77,564)	(65,113)
Less: current portion - deferred income	(1,003,710)	(1,005,609)
	<hr/>	<hr/>
Total current portion	(1,232,122)	(1,235,960)
	<hr/>	<hr/>
Total non-current position	-	-

13. Lease liabilities

	2021	2020
	£	£
Non-current		
Lease liabilities	133,241	-
	<hr/>	<hr/>
	133,241	-
Current		
Lease liabilities	107,698	48,664
	<hr/>	<hr/>
	107,698	48,664
	<hr/>	<hr/>
Total loans and borrowings	240,939	48,664

Interest was payable to the parent company totalling £nil (2020: £1,329).

There was interest on finance leases of £19,107 (2020: £9,146).

14. Financial instruments

14.1 Capital management

The Company manages its capital to ensure that it can continue as a going concern while providing services to its members.

The Company only enters into basic financial instruments. The company has the following financial instruments; trade and other receivables (see note 11) and trade and other payables (see note 12).

14.2 Financial risk management

Financial risk is overseen by the non-executive directors. The Company does not enter into or trade financial instruments for speculative purposes.

14.3 Interest rate risk management

The Company is exposed to interest rate risk because the Company in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

14.4 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

14.5 Credit risk management

The Company adopted a policy of only dealing with credit-worthy counter-parties often receiving cash before providing goods and services.

15. Related party transactions

Disclosures required in respect of IAS 24 regarding remuneration of key management personnel are covered by the disclosure of directors' remuneration included within note 6.

During the year the ultimate holding company The Institute of Public Accountants collected £16,756 (2020: £14,799) on behalf of its subsidiary the Institute of Financial Accountants. This was fully settled at year end. The ultimate holding company also incurred costs on behalf of its subsidiary and at the year end £1,374 (2020: £5,789) was owed. This amount is included in payables to related parties.

The directors regard all the transactions disclosed above as being in the normal course of business and the transactions were enacted at arms' length.

16. Ultimate holding company

The ultimate holding company is The Institute of Public Accountants which is a company limited by guarantee, incorporated under the Australian Corporations Act 2001. The Institute of Public Accountants is a professional membership organisation whose constitution requires each member of the institute to contribute fixed amount in the event of the company being wound up.

The Company's financial statements will be consolidated in to The Institute of Public Accountants financial statements. Copies of The Institute of Public Accountants financial statements are available from the following website www.publicaccountants.org.au.

17. Subsidiaries

Details of the Company's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Company (%)	
			2021	2020
1) Institute of Financial Accountants in China Limited	Dormant	Hong Kong	100	100
2) Federation of Tax Advisers Limited	Dormant	United Kingdom	100	100
3) IFA Institute of Public Accountants Limited	Dormant	United Kingdom	100	100
4) IFA (2014) Limited	Dormant	United Kingdom	100	100

As permitted under s398 of the Companies Act 2006 the directors have elected not to produce group accounts.



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Contact us

Established in 1916, the Institute of Financial Accountants (IFA) is an internationally recognised professional accountancy membership body and a full member of IFAC, the global accounting standard-setter and regulator.


The IFA is part of the Institute of Public Accountants (IPA) of Australia Group, the world's largest SME-focused accountancy group, with 46,000 members and students in 80 countries.

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