

I am very pleased to offer the following comments and observations as regards the Society's activities in respect of the year ended 31 December 2019.

Annual Conference and Dinner

These events continue to be the highlight of the Society's year and in 2019 we had a new venue for the events, the Royal Jersey Agricultural & Horticultural Society ("RJAHs")'s Showground. The two day event was held on the 17th and 18th of October, with a range of technical, regulatory, legal and economic sessions from which attendees could benefit. The broad range of local and UK speakers included leading economist Vicky Pryce, who gave a personal view on recent global macroeconomic and political developments, and provided her insights into the likely future direction of travel.

Whilst feedback indicated that the RJAHs Showground provided excellent facilities, the out-of-town location clearly didn't suit all attendees, despite the provision of free transport facilities (which were poorly taken up). However, options for an event of this size and with appropriate facilities are limited so the decision has been made to continue with this venue, and the forthcoming year's event will take place on 22/23 October 2020. The Executive Committee is working hard to respond to feedback and ensure that next year's conference builds on the success of the event in 2019.

The Society's gratitude goes to all the presenters, to Carl Methven and Kirsten Higgins from Business Life and to our secretary, Caroline Harrington, for all of their tireless work in organising the events, and to our hosts, the RJAHs.

Other Training and CPD

As well as the annual conference, we have for some time offered subsidised sessions throughout the year in conjunction with BPP on relevant and topical areas in order to address one of our key roles, which is to help our members keep their professional skills up to date. For the 2019 series of events, we noted some drop-off in attendance, which we believe could potentially be due to more 'in-house' training being given to members and cost management initiatives from their employers. We are working hard with both members and suppliers to ensure the relevance of these sessions and remain committed to the provision of cost-effective CPD on a broad variety of topics, both technical and also in 'softer' areas, such as wellbeing.

Attracting people to the profession

As noted in last year's report, we did not issue any new bursaries in 2019 but supported nine students in their studies. The costs of this in relation to last year were approximately £30,000 and we are continuing to support five students as I write this, and that is expected to drop to three in the 2020/2021 academic year. Costs for 2020 are expected to drop by approximately a third.

Replacing this, the Training Sub-committee has been looking at other ways to engage with young locals to encourage them to consider, or better still commit to, a career in accountancy. These include sponsorship of awards in Young Enterprise, sponsorship of higher education awards, school education initiatives and other programmes to broaden awareness. We are also looking to establish a committee for younger members to get their thoughts on how we might better cater for their needs and encourage wider participation.

The work experience offered by members has also been very well received and is still seen as a key element of our development and encouragement of local students to enter the profession. Our

thanks go to all members who have facilitated this in the past and we'd be keen to hear from any firms of members who would like to offer opportunities to students going forward.

I would like to thank the Society's Training and CPD Sub-Committee Chairman, Catherine Watson, for her work this year in relation to both the CPD events and further consideration of how to continue to promote the profession with students.

Taxation

Jersey's tax system, and its perceived compatibility with rapidly evolving international standards and norms, continues to be of key importance to the island's position as a leading International Finance Centre.

Whilst the international landscape continues to develop, with new substance legislation and wider consideration of Pillar 1 / Pillar 2 issues, there have also been changes in relation to systems and on-line filing here on-island. 2020 will also see the expanded corporate tax returns and the end of 'global returns' for administration businesses. I would like to thank the Taxation sub-committee, chaired by Andy Bougourd, for the work they have done during the year, particularly in building relationships with Revenue Jersey and keeping members informed of the likely impact of these forthcoming changes.

Accounting Regulation and Technical

The JSCCA continues to engage in consultation on a wide variety of technical and regulatory matters, including the recent changes to the Crown Dependency Audit Rules, updates on the National Risk Assessment, preparations for the forth-coming Moneyval assessment, the introduction of risk-based supervision by the Jersey Financial Services Commission and various other ad-hoc proposed legislative changes.

On behalf of the Society, I would like to thank the members of the Technical Sub-Committee, chaired by Matt Ryan, for all their work throughout the year.

The Society also continues to be represented on a number of key strategic committees, working across industry sectors with the Government of Jersey, the regulator, Jersey Finance and other relevant bodies. These meetings are of vital importance to all sectors of the economy, not just the accountancy profession. I would like to thank the Society's vice president, Steven Hunt, who has very ably deputised for me when I have not been able to attend these strategic meetings and events.

The Society's Finances

The Society has taken the opportunity to modernise its financial processes by moving to on-line banking services, utilising the accounting package Xero for our book-keeping and building improved controls, principally through segregation of duties. Our new Treasurer, Marc Cleeve, has overseen this transition and I would like to thank him for his hard work in ensuring continuity of service.

For many years we have been audited by Mazars, and I would like to express my gratitude for their excellent service during that period. In line with corporate governance best practice, however, we decided to undertake a competitive tendering process for their replacements, and I am delighted that we were able to appoint Bracken Rothwell to take over this important role. I would like to thank them for their efforts in ensuring the completion of the audit in a timely fashion for our Annual General Meeting.

Membership subscriptions continue to be broadly in line with previous years and for 2021 we are proposing a £10 increase to subscription fees, which we do not believe have changed in many years. The CPD conference and dinner in 2019 covered costs but did not generate a significant surplus (as they had in previous years) and the Society also made some one-off investments in new technology and processes.

Overall for the year the Society generated a loss of £23,124 and reduced its cash balance by £53,221. We remain in a healthy financial position, however, with liquid assets of c.£230k and, after allowing for future bursary costs, total net assets of c.£200k as at year-end.

Looking Ahead

I am pleased that the Society has modernised many of its operations in the last year or two, including developing a new website with improved membership database capabilities, moving to Gmail and providing dedicated email addresses for key roles in the Society, upgrading our banking and accounting services and bringing on new members to the Executive Committee. Whilst we have achieved much, there is more to do, especially in improving our communication through the website and social media channels, and engaging with our Membership more broadly, particularly our student and younger members.

Alongside the internal changes, we will continue to monitor, engage and influence those external regulatory and legislative areas that will most impact our members, and represent their concerns at the highest level. Such matters will include Jersey's tax system for the future, access to key markets, addressing key regulatory and legislative changes and employment needs. Fundamental to this is continuing to encourage the best of young local talent to enter, stay in or return to the profession in Jersey, and to ensure that our resources are being deployed in the best way possible in this respect.

In the last month or so, the outbreak of Covid-19 has created some huge challenges for many of our members and their businesses, and we have been working closely with relevant authorities to ensure that our members concerns are highlighted at the most senior levels. This demonstrates the importance of our relationship with government and regulatory bodies as we strive to manage through these difficult times, and plan for the months ahead. As a Society, I do not expect there to be a significant financial effect as we have very limited fixed expenditure and a strong, liquid balance sheet, but clearly the capacity of members to volunteer in these times may be curtailed.

Conclusion

I would therefore like to take this opportunity to express my gratitude, both personally and on behalf of the Membership, to all of the Executive and Sub-Committee members for their hard work, and also to the Society's Secretary, Caroline Harrington, for her tireless efforts and support. This is never more so than at the moment when everyone is undoubtedly facing additional challenges of their own, be they professional and/or personal.

I'd also like to acknowledge the support of Lisa Springate and her team at JFL who have attended Committee meetings and kept us informed of matters that might be relevant to the Society and our members.

It has been a challenging year for the Society with so many changes, both to our headline conference and also financial arrangements, but I look forward to now building on this and continuing to lead the Society as we address the challenges of the year ahead.

James de Veulle, FCA, President

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