



The Bar Council



REGULATING BARRISTERS

The General Council of the Bar

Financial Statements for the year to 31 March 2024

The General Council of the Bar
Financial Statements for the year to
31 March 2024

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Treasurer's Report

The General Council of the Bar (GCB) has delivered a surplus before tax of £1,891k this year, which is significantly better than the budgeted deficit for the year of (£436k). This includes the investment gain of £869k, adjusting for this has resulted in an operating surplus of £705k. The surplus has been driven by a number of non-recurrent factors:

Additional non-recurrent income:

- The release of the remaining balance of £650k, funds originally earmarked for the Defined Benefit Pension (DB Pension) deficit recovery plan. In 2022 due to changes in the economic climate, the DB Pension Fund moved from a deficit position to a surplus. This meant that the funds originally destined for the deficit recovery plan (originally £1.3m paid annually) were no longer required. The GCB view is that as it is actively pursuing a DB Pension buy-out and matching the insurers' investment strategy, the likelihood of a future deficit is greatly reduced.
- Additional regulatory income above the budgeted amount arose from the charge to Authorised Educational Training Organisations. The budget for 2024/25 has been amended to better reflect the expected income in relation to the anticipated number of students.
- Savings in the Bar Council due to a reduced programme of international events. This is expected to return to a more normal level in the coming year.

Additional non-recurrent costs:

- During the year the BSB commissioned FieldFisher to conduct a review of business processes and make recommendations on improvements and efficiencies. The implementation of the findings from the review will impact costs in the coming years.
- In order to reduce the outstanding backlogs, the BSB had outsourced some of its casework. This arrangement came to an end mid-way through the year.
- The BSB completed its review of the "Worker" status of a number of contractor roles. The cost of the review and the necessary changes identified also contributed to the non-recurrent costs.

Other factors:

- The CBILS loan was repaid early which has saved a significant amount in interest payments. This was partly financed by the disposal of the Cazenove investment portfolio.
- At the year end, the Barclays investment portfolio had generated a surplus of £800k.

The surplus and the other factors set out above, have enabled the GCB reserves to be in a stronger position than would otherwise be the case. This is good news because the GCB will face some significant cost pressures in the coming year, particularly:

- The changes driven by the findings in the FieldFisher review of BSB enforcement processes will have a significant effect on the costs for the coming year and following years.
- Costs associated with the Post Office investigations. We expect these costs to be significant and additional to the 'business as usual' costs.

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DB Pension Scheme is in surplus both on an actuarial and accounting basis. This is particularly helpful as we are progressing with the potential buy-out of the scheme. This will have the dual purpose of safeguarding the pension holders and the Bar Council members' financial positions. In September 2024 we are due to have the next triennial actuarial valuation: our expectation is that this will also be in surplus.

The continuing economic uncertainty reinforces the need to keep a strong focus on the GCB's cost structure. We aim to ensure that the PCF funds collected cover all the in-year budgeted costs to protect the financial stability of the GCB. We carefully monitor our cashflow throughout the year to support this aim.

To help our members and other stakeholders gain a better understanding of the GCB's 2023/24 financial performance, I would like to highlight the following items:

- During this year's audit an error was found in the prior period's treatment of contributions to the DB Pension Scheme. The current year's accounts show the correct position, and the previous year's figures have been restated. The changes have had no effect on the strength of the GCB's finances, the 2024 operating surplus, reserves total or cash position.
- Reserves - total general reserves remain positive at £13,062k; the "permitted purposes" reserves are also positive at £5,347k.
- Pension – the accounts show the DB Pension Scheme is in surplus.
- Cash – the cash position is carefully monitored and managed throughout the year.
- Revenue – total revenue has increased against the prior year by £2,010k. Most of this increase is due to PCF collected from the March-April 2023 collection (covering the earnings at the Bar received in 2022). This reflects the increase in workloads due to the end of the pandemic and the effect of inflationary pressures on barristers' income.
- finally, we are making good progress delivering against the five-year strategic plan.

I would like to take this opportunity to thank the excellent team at the GCB. Their support, dedication and professionalism enabled the GCB to deliver against its objectives during these exceptional and extremely challenging times.

Financial Commentary

The financial statements for the General Council of the Bar combine the activities of the association and subsidiary entities into group accounts. The commentary and notes distinguish between the components with these references:

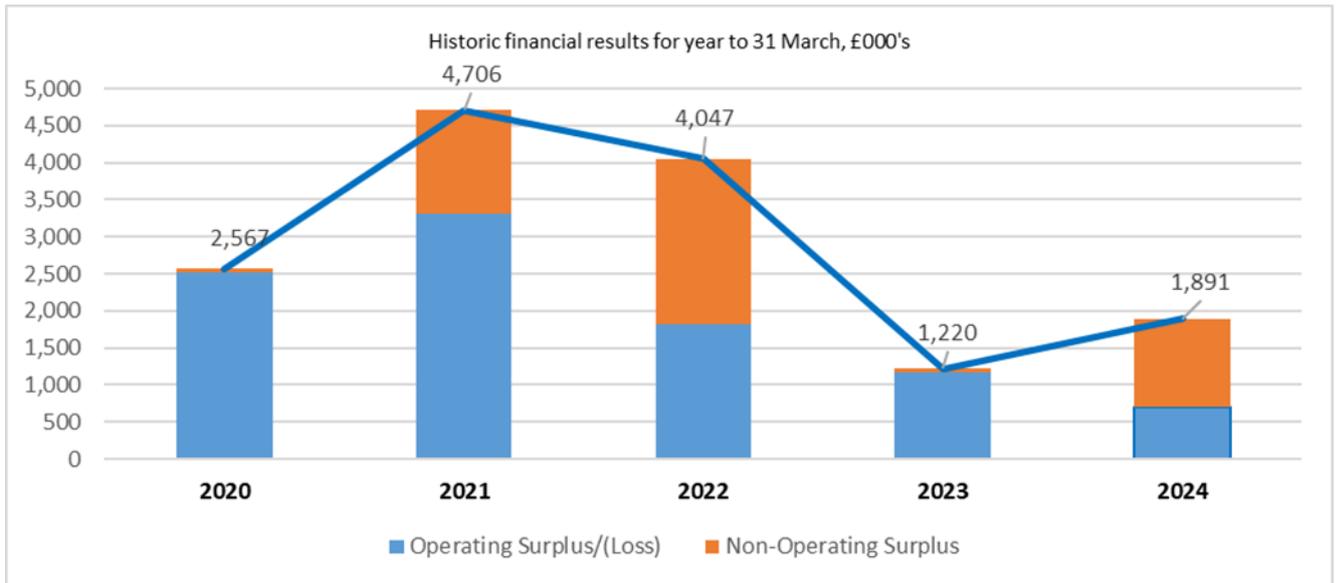
- The Bar Council (BC): the representative body for the profession undertaking permitted purposes activities under s51 of the Legal Services Act 2007 (LSA 2007) and providing services to the profession. The Bar Council is also the Approved Regulator;
- The Bar Standards Board (BSB): the operationally independent regulator;
- Bar Council Scholarship Trust (BCST): a charitable trust included because GCB appoints the Trustees;
- The Barristers' Foundation (BF): a company limited by guarantee not having share capital is included because GCB appoints the Directors'; and
- Bar Properties Ltd is a dormant subsidiary that exists only to hold the lease on the office property. Its accounts are excluded as they are immaterial.

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Each component part above has its own sources of income and expenditure but the BC and BSB share the compulsory practising certificate fee (PCF) and supporting overheads. These financial statements distinguish between BC and BSB operations to provide clarity on the application of income and the use of resources. The association and the whole group above are referred to as the General Council of the Bar or GCB.

Financial Review

Overall income increased by £1,834k to £24,443k from £22,433k in 2022/23. Total costs increased £2,161k to £23,421k (2022/2023: £21,080k). A total surplus of £1,695k was achieved before taxation, up £572k against the prior year's surplus of £1,123k. This surplus after taxation includes the gain on investment of £869k (2022/23: £133k loss)



Historic financial results for year to 31 March, £000's					
	2020	2021	2022	2023	2024
- Bar Council Surplus/(Loss)	1,644	1,150	891	771	668
- Bar Standards Board Surplus/(Loss)	870	2,158	918	391	37
Operating Surplus/(Loss)	2,514	3,308	1,809	1,162	705
Non-Operating Surplus/(Loss)	53	1,398	1,218	58	1,186
Total Surplus/(Loss) before Tax	2,567	4,706	4,047	1,220	1,891

The operating activities are those day-to-day activities of the Bar Council and BSB. Operating costs were £2,203k higher at £22,361k (2022/23: £20,158k). Staffing costs increased £1,643k to £13,304k (2022/23: £11,661k) due to an increase in FTE's and recruitment costs resulting mainly from the BSB accelerated recruitment drive. Direct non-staffing costs increased by £623k to £8,970k (2022/23: £8,347k) due to inflationary increases, cyber-security reviews, and other external consultancy costs. The impact of increased operating costs of £2,203k has been partially mitigated by the increase in

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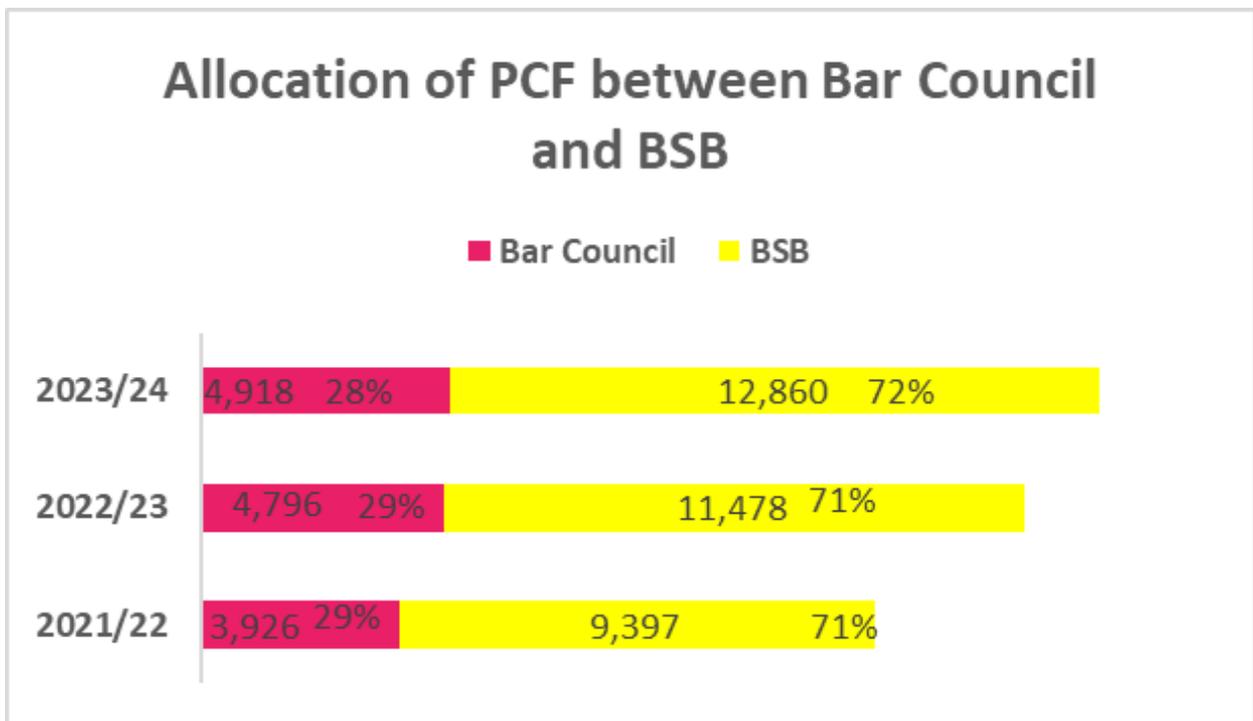
operating PCF collections of £1,504k. These movements have contributed to the operating surplus of £705k before taxation, investment gains and other comprehensive income (2022/23: £1,162k).

Non-operating results include the actuarial adjustments for the closed defined benefit pension scheme, the annual levy contributions to the LSB and the legal ombudsman and accounting adjustments from GCB's investment valuations. A non-operating surplus of £1,186k this financial year (2022/23: £58k non-operating surplus); The gain on investment of £869k (2022/23: £133k loss) and interest on pension assets is £317k (2022/23: £141k) has contributed to the non-operating surplus. £nil write-off of pension reserve non-operating revenue (2022/23: £50k).

Most income derives from PCF. In 2023/24 £18,838k of PCF was applied to fund the organisation, an increase of £1,642k on the previous year (2022/23: £17,196k)

The GCB's share of the operating costs of the Legal Services Board and the legal ombudsman in 2023/24 was £1,060k (2022/23: £922k). This expenditure is 100% funded by PCF.

The PCF income is shared between Bar Council and BSB to cover the cost of permitted purposes activities only and after other income is considered.



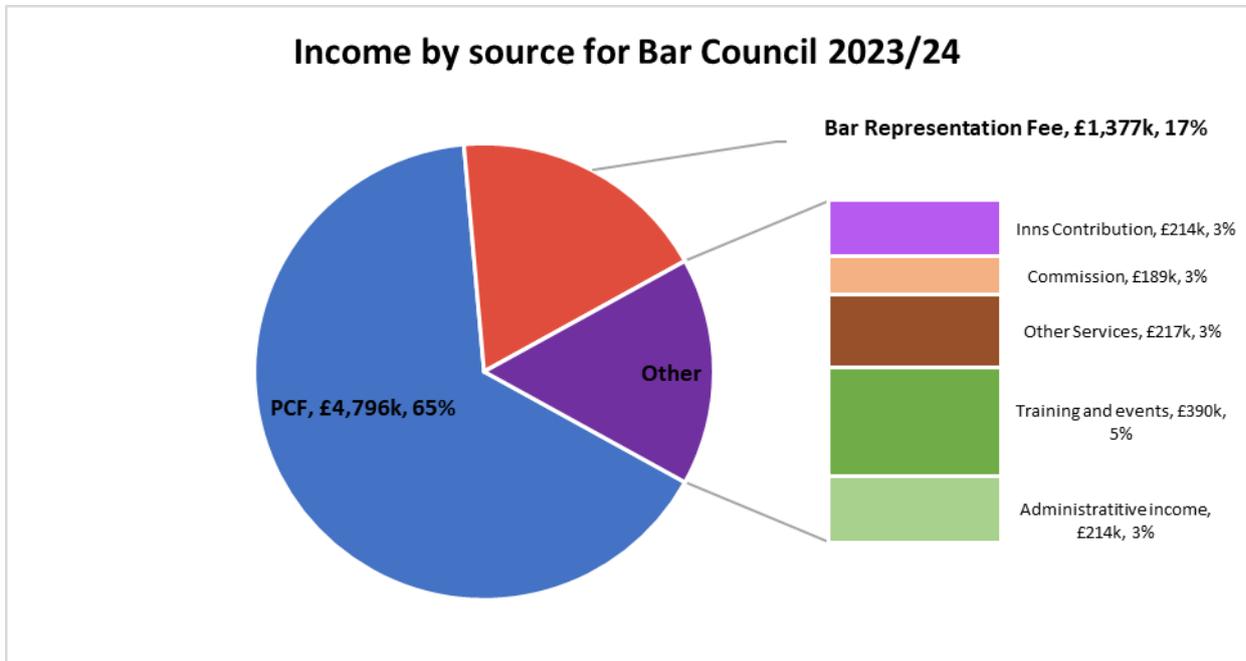
Bar Council

The financial report for Bar Council includes all representation and approved regulator activities as well as services to the profession. Bar Council aims to minimise the amount of

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PCF needed to fund representation activities by building and maintaining a variety of income sources. 65% of the Bar Council's income is drawn from PCF (2022/23: 65%).

Total income increased 2%, £174k, to £7,504k (2022/23: £7,330k). Income from services to the bar rose by 4.5%, £85k, to £1,967k (2022/23: £1,882k) being mostly driven by the inflationary increase on the Bar Representation fee.



Expenditure increased 4%, £277k to £6,836k (2022/23: £6,559k). Non-recurring savings due to cancelled events during the previous financial year did not occur to the same frequency during the 2023/24 period.

Bar Standards Board

The BSB is funded by practising certificate fee income topped up by income raised through regulatory fees and charges.

Total income increased by 11%, £1,572k to £15,562k (2022/23: £13,990k). Most of this was due to the £1,382k increase in revenue from practising fee income.

Expenditure increased by 14%, £1,926k to £15,525k (2022/23: £13,599k): staffing costs were £1,085k greater, £7,312k (2022/23: £6,227k) due to an accelerated recruitment drive. Non-staff costs increased £258k, largely attributable to legal representation costs. The remaining increase arose from the proportional share of Resources Group costs of £565k while being partially met by the movement in the holiday pay accrual of £18k.

Resources Group

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The Resources Group includes the back-office functions of: Human Resources, Finance, Information Services, Office Services, the Project Management Office, the Membership Records function and the facilities and property costs of GCB. The costs are fully apportioned between BC and BSB and reported as part of the total cost of each group.

Operating costs increased 8%, £600k, to £7,705k (2022/23: £7,105k) due to increased bank charges, backdated service charges, portfolio management fees, and other inflationary increases.

Assets, Liabilities and Reserves.

Net assets increased by £1,378k to £13,062k (2022/23: £11,684k) driven primarily by the increase in investments. During the year the CBILS loan was paid in full. Residual cash resources were utilised for investments held with Barclays as demonstrated by the increase in investments to £7,705k (2022/23: £2,341k). Further, the year-end investment balance included the market value gain of £869k.

Fixed Assets for the group increased by £5,268k to £10,934k (2022/23: £5,666k). This is largely attributable to the acquisition of additional investments.

Debtors and prepayments increased by £506k to £2,725k (2022/23: £2,219k) due to the timing differences in issuing invoices and cash received at year-end.

Cash levels decreased to £25,828k (2022/23: £30,258k). The CBILS loan was repaid in November 2023 and additional cash resources were utilised for the purchase of investments. While cash levels have decreased, unrealised gain on investments during the year was £869k (2022/23: £365k loss) driving the increase in net assets

Short-term creditors increased £2,316k to £26,425k (2022/23: £24,109k). This is a 10% increase on prior year and largely attributable to the inflationary increase in practising certificate fees for the 2024/25 period. Short-term creditors is largely made up of deferred income which relates to chambers who have not paid the practising certificate fee as part of authorisation to practise.

The Pension's Liability records the accounting valuation of the surplus or deficit on the defined benefit pension scheme under relevant financial standards. At 31 March 2024, the scheme was in surplus but is reported in the accounts at nil value due to pension scheme rules that the Bar Council are not entitled to any asset and therefore FRS102 makes allowance to derecognise asset in these cases.

The Long-Term Liability recognises the debt raised through the Coronavirus Business Interruption Loan Scheme. This was paid in full in November 2023 (2022/23: £3.35m)

Reserves

General reserves increased to £12,201k (2022/23 £10,871k). £144k (2022/23: £188k) was incurred for legal costs and £200k (2022/23: £200k) was reallocated to the legal challenges reserve to maintain future legal defence costs of the BSB defending regulatory decisions.

There was no change in Pension reserves (2022/23: £nil) in line with the FRS102 valuation outcome.

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Going Concern

The Council believe there are no material uncertainties that call into doubt the Group and GCB’s ability to continue as a going concern.

Statement of Key Risks

GCB has a formal risk management process through which the organisation’s risks are identified and monitored. The Bar Council and Bar Standards Board separately identify and manage the major risks to which they are exposed. These risks are updated regularly and collated into relevant risk control documents highlighting likelihood, impact and mitigating actions. All significant corporate risks are reviewed regularly throughout the year by the Audit Committee.

The role of the Audit Committee is to review and advise on all corporate governance and risk management matters and to review the effectiveness of all internal controls and audit practises. Its primary mechanism to achieve this is to scrutinise, the risk registers of the Bar Council and BSB.

The Audit Committee provides separate oversight of the BSB corporate risk register to that provided by the Governance, Risk and Audit Committee of BSB to ensure that shared or organisational risks are managed as such.

In 2023/24, the management team consider that the following risks should be noted:

Key Risk	Key Mitigating actions
A failure of cyber and information security safeguards leading to accidental or malicious security breaches.	<p>The recommendations from the reviews following the 2022 cyber-attack have been implemented. The Business Continuity plans are being revised to take account of the lessons learned from the attack. The aim is to improve business resilience and accelerate the recovery time from any future attacks.</p> <p>This cyber-security improvement programme is monitored by the Chief Information Officer with regular oversight by the Senior Management and Audit Committee.</p>
The risk to the GCB of a significant data breach reportable to the ICO	Systems have been enhanced to improve data security and integrity. Policies have been improved to emphasise the controls and security needed for sensitive data. Staff receive regular mandatory GDPR

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Key Risk	Key Mitigating actions
	training and updates on the controls needed to safeguard data.
Financial pressures (e.g. inflation, continuing increases in the cost of regulation, reduced regulatory income, loss of financial support from the Inns), lead to the need to increase the Practising Fees for barristers above inflation, or to a depletion of the reserves below the rate set in the reserves policy.	The main source of income for the GCB is the PCF. The level of PCF has had to increase to cover rising costs over the last 2 years. This has been mitigated by prudent use of the reserves to reduce the impact on the PCF level in any given year. This balancing act will need to continue.
The plans the Bar Council has put in place to address the long-term financial obligation of the Defined Benefit Pension Scheme are insufficient and therefore undermine the Bar Council's financial security and reputation.	<p>The latest triennial valuation of the DB pension fund has been agreed on a date of valuation basis. This means the pension fund is no longer in a deficit position and the GCB is no longer required to pay into the pension deficit recovery plan. The next triennial valuation is in September 2024.</p> <p>New Independent Trustees have been appointed to the scheme. They are reviewing the pension investment strategy and exploring the viability of a buyout of the pension scheme.</p> <p>We anticipate the risks associated with the Defined Benefit Pension Scheme to be removed from the risk register as we confirm a buy-in position in the coming months.</p>

The Bar Council is satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

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Statement of Council Members' Responsibilities

The purpose of this statement is to distinguish the responsibilities of the Council Members of the General Council of the Bar from those of the Auditors as stated in their report.

The Constitution of the General Council of the Bar requires that the Council Members of the General Council of the Bar, as a body, shall cause proper books of account to be kept with respect to the affairs of the General Council of the Bar. The Members are required to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the General Council of the Bar and its subsidiaries and of their income and expenditure for the period. The Members of the General Council of the Bar are also responsible for safeguarding the General Council of the Bar's assets, and hence for taking reasonable steps for the prevention and detection of error, fraud and other irregularities.

In preparing the accounts, the Members of the General Council of the Bar will:

- Select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the General Council of the Bar will continue in operation.

The Members are also responsible for the maintenance and integrity of the corporate and financial information included on the Bar Council's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

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

- So far as the Council Member is aware, there is no relevant audit information of which the Bar Council are unaware, and
- Each Council Member has taken all steps that they ought to have taken to be aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Bar Council on 7 September 2024 and signed on its behalf by:

The General Council of the Bar
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Chair of the Bar Council

Treasurer of the Bar Council

Independent Auditor's Report to the Members of
The General Council of the Bar

Opinion

We have audited the financial statements of General Council of the Bar for the year ended 31 March 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Group and Parent Statements of Financial Position, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent's affairs as at 31 March 2024 and of the group's result for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Council Members' 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 group'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Council Members are responsible for the other information. The other information comprises the information included in the Treasurer's Report, which includes the Financial

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Review. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Council for the financial statements

As explained more fully in the Statement of Council Members' Responsibilities, the Members of Council are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of Council are responsible for assessing the group's and the parent'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 Council either intends to liquidate the group or the parent or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to Employment law, Legal services act 2007 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements including tax regulations and FRS102.

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We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing correspondence with regulators and tax authorities;
- Reviewing the controls and procedures to ensure these were in place throughout the year;
- Reviewing and testing journal entries made in the year, particularly those made as part of the year-end financial reporting process;
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

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

Use of our report

This report is made solely to the members of the General Council of the Bar, as a body, in accordance with the Council's Constitution. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the General Council of the Bar or its members, for our audit work, for this report, or for the opinion we have formed.

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London EC4R 1AG

Date: **2024**

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Independent Report to the General Council of the Bar
In respect of the Statement under s.51 Legal Services Act 2007

Scope

In accordance with our engagement letter, we report on the procedures that we have performed on the accompanying Statement under section 51 of the Legal Services Act 2007 ("LSA Statement") for the year ended 31 March 2024, the preparation of which is the responsibility of the General Council of the Bar.

We have carried out the procedures set out below, as agreed with you, and as specified in our engagement letter. These procedures performed do not constitute an audit and therefore we do not express any opinion on the allowable expenditure met by other income on the LSA Statement. This report does not extend to any financial statements of the General Council of the Bar.

Purpose of procedures

The specific procedures that you have requested that we perform are required by you to assist in enabling you to demonstrate, if required, that income from practising certificate fees has been used for the purposes set out in section 51 of the Legal Services Act 2007.

Procedures performed

We have carried out the following procedures:

- Confirmed the arithmetical accuracy of the LSA Statement;
- Verified that the PCF income and expenses, as categorised on the LSA Statement, has been accurately derived from the accounting records used in the preparation of the audited financial statements: and
- For a sample of items of expenditure, agreed the amount to supporting documentation, verified that the expenditure has been incurred and that it is properly chargeable as an expense in respect of the year in question.

Findings

No errors or exceptions were identified in our work.

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Independent Report to the General Council of the Bar
In respect of the Statement under s.51 Legal Services Act 2007
(Continued)

Use of this report

Our report is prepared solely for the use of the General Council of the Bar and solely for the purpose of assisting you in demonstrating that income from practising certificate fees has been used for the purposes set out in section 51 of the Legal Services Act 2007. It may not be relied upon by the General Council of the Bar for any other purpose whatsoever. Our report must not be recited or referred to in whole or in part in any other document without our prior written approval. We confirm that access to our report may be given to representatives of the Ministry of Justice for the purposes set out in section 51 of the Legal Services Act 2007 although, as our report is addressed to you as our client, Haysmacintyre neither owes nor accepts any duty to any party other than yourselves and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by their reliance on our report.

Haysmacintyre LLP
Statutory Auditor
10 Queen Street Place
London. EC4R 1AG

Date: **2024**

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Consolidated Income Statement of Comprehensive Income

	Notes	2024 £000's	2023 £000's As restated
INCOME			
Regulation PCF (BSB)		12,860	11,478
Regulation (BSB)		2,702	2,512
Representation PCF		4,918	4,796
Representation		599	629
Services to the Bar		1,967	1,882
Subsidiaries		20	23
Non-operating activities PCF		1,060	922
Write off of pension reserve		-	50
DB pension fund net interest income	17c	317	141
		<u> </u>	<u> </u>
Total income	4 & 5	24,443	22,433
EXPENDITURE			
Regulation (BSB)		15,525	13,599
Representation		5,430	5,222
Services to the Bar		1,374	1,325
Subsidiaries		32	12
Non-operating activities PCF		1,060	922
		<u> </u>	<u> </u>
Total expenditure	4	23,421	21,080
Investment gains/(losses)		869	(133)
		<u> </u>	<u> </u>
Surplus for the Year before Taxation		1,891	1,220
Taxation	18	(196)	(97)
		<u> </u>	<u> </u>
Surplus for the Year After Taxation		1,695	1,123
Other Comprehensive income			
DB Pension fund actuarial loss	17d	(317)	(1,291)
		<u> </u>	<u> </u>
		<u> </u>	<u> </u>
Total Comprehensive Income		1,378	(168)
		<u> </u>	<u> </u>
Represented by:			
General Council of the Bar Group		1,378	(168)
		<u> </u>	<u> </u>

The Notes on pages 21-41 form an integral part of these Statements

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Consolidated Statement of Changes in Equity

	General Reserves	Pension Reserve	Charity Reserves	Group Total
	£000's	£000's	£000's	£000's
Balance: 1 Apr 2022 as previously reported	9,852	-	852	10,704
Prior period adjustment (note 3)	1,148	-	-	1,148
	<u>11,000</u>	<u>-</u>	<u>852</u>	<u>11,852</u>
Balance at 1 April 2022 as restated				
Changes in year:				
Surplus for the year as restated (note 3)	1,021	141	(39)	1,123
Transfer to Pension Reserve	(1,150)	1,150	-	-
Pension scheme: Actuarial Loss	-	(1,291)	-	(1,291)
	<u>10,871</u>	<u>-</u>	<u>813</u>	<u>11,684</u>
Balance: 31 Mar 2023 (as restated)				
Balance: 1 April 2023 as previously reported	9,708	-	813	10,521
Prior period adjustment	1,163	-	-	1,163
	<u>10,871</u>	<u>-</u>	<u>813</u>	<u>11,684</u>
Balance at 1 April 2023 (as restated)				
Changes in year:				
Surplus for the year	1,330	317	48	1,695
Pension scheme: Actuarial Loss	-	(317)	-	(317)
	<u>12,201</u>	<u>-</u>	<u>861</u>	<u>13,062</u>
Balance: 31 Mar 2024				

The Notes on pages 21-41 form an integral part of these Statements.

The General Council of the Bar
Financial Statements for the year to
31 March 2024

Statements of Financial Position

		Parent		Group	
		31/03/2024	31/03/2023 (as restated)	31/03/2024	31/03/2023 (as restated)
		£000's	£000's	£000's	£000's
Fixed Assets					
Property, equipment and software	10	3,229	3,325	3,229	3,325
Investment in Subsidiaries	11	-	-	-	-
Investments	12	6,904	1,588	7,705	2,341
		<u>10,133</u>	<u>4,913</u>	<u>10,934</u>	<u>5,666</u>
Current Assets					
Debtors & Prepayments	13	2,725	2,216	2,725	2,219
Cash and cash equivalents Bank		25,765	30,178	25,828	30,258
		<u>28,490</u>	<u>32,394</u>	<u>28,553</u>	<u>32,477</u>
Creditors: due within one year	14	(26,423)	(24,106)	(26,425)	(24,109)
Net Current Assets		<u>2,067</u>	<u>8,288</u>	<u>2,128</u>	<u>8,368</u>
Total Assets less Current Liabilities		12,200	13,201	13,062	14,034
Pensions Liability	17	-	-	-	-
Bank loan		-	(2,350)	-	(2,350)
Net Assets		<u>12,200</u>	<u>10,851</u>	<u>13,062</u>	<u>11,684</u>
Represented by:					
General Reserve	9	12,200	10,851	12,201	10,871
Pensions Reserve		-	-	-	-
		<u>12,200</u>	<u>10,851</u>	<u>12,201</u>	<u>10,871</u>
Charitable Trust		-	-	861	813
		<u>12,200</u>	<u>10,851</u>	<u>13,062</u>	<u>11,684</u>

Approved and authorised for issue by the Bar Council on 7 September 2024 and signed on its behalf by:

Chair

Treasurer

The Notes on pages 21-41 form an integral part of these Statements.

The General Council of the Bar
Financial Statements for the year to
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Consolidated Statement of Cash Flows

	Year to 31/03/24	Year to 31/03/23 (as restated)	
	£000's	£000's	
Reconciliation of Operating surplus to Net			
Cash Flow from operating activities:			
Operating Surplus after taxation	1,695	1,123	
Investment (Gain)/Loss	(869)	133	
Pension scheme contributions	-	(1,150)	
Write-off of Pension Liability	-	(50)	
Pension scheme net interest cost/(income) 17c	(317)	(141)	
Taxation charge	196	97	
Prior period taxation adjustments	(9)	-	
Depreciation/amortisation charge	979	1,187	
(Increase)/Decrease in Debtors	(506)	1,692	
Increase/(Decrease) in Creditors	3,129	1,773	
	<u>4,298</u>	<u>4,664</u>	
Investing activities:			
Purchase of Tangible and intangible fixed assets (inc WIP)	(882)	(498)	
Purchase of Investments	(6,181)	(350)	
Sale of Investments	1,685	476	
	<u>(5,378)</u>	<u>(372)</u>	
Cash Flow from Investing Activities			
Financing activities			
Decrease in long-term borrowing	(3,350)	(1,650)	
	<u>(3,350)</u>	<u>(1,650)</u>	
Increase/(Decrease) in Cash and cash equivalents			
	(4,430)	2,642	
Cash and cash equivalents at 1 April	30,258	27,616	
	<u>30,258</u>	<u>27,616</u>	
Cash and cash equivalents at 31 March	25,828	30,258	
	<u><u>25,828</u></u>	<u><u>30,258</u></u>	
Analysis of net debt			
	As at 31 March 2023	Cashflows	As at 31 March 2024
Cash and cash equivalents Bank	30,258	(4,430)	25,828
Bank loans	(3,350)	3,350	-
Total	26,908	(1,080)	25,828

The Notes on pages 21-41 form an integral part of these Statements.

The General Council of the Bar
Financial Statements for the year to
31 March 2024

Notes to the Financial Statements

1. Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings and investments, and in accordance with FRS102 *the financial reporting standard applicable in the UK and Ireland*.

The accounts have been prepared on the assumption that the Bar Council is able to carry on its activities as a going concern. In assessing the Bar Council's ability to continue as a going concern, the members have considered the Bar Council's liquidity position and reviewed cash flow forecasts for the foreseeable future.

For this reason, the members continue to adopt the going concern basis in preparing the accounts.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Bar Council's accounting policies (see note 2).

The following principal accounting policies have been applied:

2. Accounting policies

Basis of consolidation

The group accounts comprise the accounts of the General Council of the Bar, a charitable trust (the Bar Council Scholarship Trust) and a company limited by guarantee (The Barrister's Foundation). The Bar Council Scholarship Trust has been consolidated as the Bar Council has the power of appointment over the Trustees and is therefore deemed in control of its funds. The Barrister's Foundation has been consolidated as the Bar Council has the power to appoint Directors and is therefore deemed in control of its funds. A third subsidiary company (the Bar Council Properties Limited) has been excluded on the grounds of immateriality. All of these accounts are made up to 31 March.

Separate non-consolidated statements have not been prepared for the GCB and this omission is considered immaterial to an understanding of these accounts. The separate results of the subsidiaries and the charitable trust are shown in Note 11.

Income recognition

Income is recognised when the three criteria of entitlement, probability of receipt and reliability of measurement have been satisfied.

Operating activities

All income from the Bar is accounted for in the period to which it relates. Practising Certificate Fees and the Bar Representation Fee are usually collected in the financial year prior to the year in which they are applied.

Income from courses and events is recognised in the period in which the course or event takes place.

Other Income is recognised when goods or services have been supplied.

The General Council of the Bar
Financial Statements for the year to
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Levies

In addition to funding core activities, Bar Council pays levies towards the retrospective running costs of the Legal Services Board and the Office of Legal Complaints. These levies are met from PCF raised at the end of the year. These levies are for permitted purposes and are reported as a non-operating cost. Amounts recognised are those amounts charged in the year.

Tangible and Intangible fixed assets

Property, equipment and computer software are measured at historical cost.

Depreciation and amortisation is provided on all classes of property, equipment and software and is calculated on a straight-line basis over their estimated useful economic lives. The rates of depreciation and amortisation per annum are as follows:

Leasehold improvements: Over the remaining period of the lease
Office furniture and IT equipment: 33.3%
Database and Computer Software (intangible): 20.0%

Computer software is written off in the year in which the expenditure is incurred, unless it can be demonstrated that the software has a useful economic life longer than one year.

Depreciation and amortisation is usually charged from the date that an asset is first brought into use. In respect of databases, amortisation commences once the asset is fully functional: see Note 9.

Investments

Investments are stated at market value. Unrealised gains and losses are recognised in the Revaluation Reserve until the investment is disposed of, at which time the cumulative gain or loss previously recognised in the Revaluation Reserve is transferred between reserves.

Investments in subsidiaries and joint venture

Investments in subsidiaries are measured at cost less provision for impairment in the Bar Council's own financial statements.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price.

Borrowing costs

All borrowing costs are recognised in statement of comprehensive income in the year in which they are incurred.

The General Council of the Bar
Financial Statements for the year to
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Financial Instruments

The Bar Council only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment is recognised in the Income statement. Any impairment is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Bar Council would receive for the asset if it were to be sold at the reporting date.

Judgements in applying accounting policies

Management considers that the main area of judgement in the application of accounting policies relates to the valuation of the defined benefit pension scheme. Judgement has been applied in the selection of the key financial assumptions which underpin the calculation of the defined benefit asset or liability and also in limiting the recognition of the defined benefit asset in the comparative year as set out in note 17.

Pension scheme

The Bar Council operates two pension schemes for staff: a defined contribution scheme and a defined benefit scheme, now closed to accrual.

For the defined contribution scheme, the cost recognised for the year is the employer contributions paid during the year recognised in Staff Costs.

For the defined benefit scheme, the amounts charged for pension costs are the service costs, the gains or losses on settlements and curtailments and the net interest cost on the scheme deficit. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income. The defined benefit scheme is funded, with the assets of the scheme held separately from those of the Bar Council, in a Trustee-administered Fund. Scheme assets are measured at fair value, while liabilities are measured on an actuarial basis, using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting pension scheme asset or liability is presented separately after other net assets on the face of the Statement of Financial Position.

Taxation

Current tax

The Bar Council is subject to corporation tax on investment gains and certain income streams, comprising non-membership non-regulatory activities and income from investments. Regulatory activities are not subject to tax because they relate to the Bar Council's legal duty to act as a regulator and membership activities are not subject to corporation tax because they represent mutual trading.

The General Council of the Bar
Financial Statements for the year to
31 March 2024

Deferred tax

Deferred tax is provided on all timing differences where the ultimate crystallization of a gain is expected to give rise to a tax liability, primarily being unrealised gains on equity and unit trust investments. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or the reduction of other future tax liabilities.

Operating leases

Operating lease rentals payable are charged to the Income Statement in equal annual amounts over the lease term. Any rent-free period is amortised evenly over the period to which it relates, and the balance is carried forward in Other Creditors.

Employee Termination Payments and Employee Benefits

Employee termination payments and employee benefits are accounted for on an accruals basis.

3. Prior period adjustment

During the year, a material error in respect of the accounting for contributions payable to the defined benefit pension scheme in prior periods was identified. This has been corrected in the current year via a prior period adjustment and the following items presented in the consolidated financial statements for the year ended 31 March 2023 have been restated:

	Balance as previously reported £'000	Correction £'000	Balance as restated £'000
Actuarial loss on pension fund for the year ended 31 March 2023	(1,165)	126	(1,291)
Balances as at 31 March 2023			
Accruals and other deferred income (GCB)	2,676	2	2,678
Sundry creditors (GCB)	1,923	(1,165)	758
Total creditors (GCB)	25,271	(1,163)	24,108
Accruals and other deferred income (Group)	2,676	2	2,678
Sundry creditors (Group)	1,924	(1,165)	759
Total creditors (Group)	25,272	(1,163)	24,109
Reserves as at 31 March 2023			
General reserves	9,708	1,163	10,871
Total reserves	10,521	1,163	11,684
Reserves as at 31 March 2022			
General reserves	9,852	1,148	11,000
Total reserves	10,704	1,148	11,852

The General Council of the Bar
Financial Statements for the year to
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4. Expenditure Analysis & Statement under s.51 Legal Services Act 2007

	2023/24 Spend			Analysis of Spend		Funded By					Surplus / (Deficit) £000	
	Direct Spend £000	Allocated Costs £000	Total Spend £000	Permitted Purposes £000	Other Purpose £000	Direct Income £000	Inns Cont'n £000	BRF £000	Other £000	PCF (P.P. only) £000		Total Income £000
Expenditure/Costs:												
(A) Regulation (BSB)												
Regulatory Operations	(5,002)	(3,008)	(8,010)	(8,010)	-	2,176	-	-	241	6,898	9,315	1,305
Legal and Enforcement	(2,887)	(1,416)	(4,303)	(4,303)	-	80	-	-	113	3,245	3,438	(865)
Strategy & Policy	(1,568)	(915)	(2,483)	(2,483)	-	-	-	-	73	2,096	2,169	(314)
Comms and Public Engagement	(412)	(237)	(649)	(649)	-	-	-	-	19	541	560	(89)
Movement in holiday accrual		(80)	(80)	(80)	-	-	-	-	-	80	80	-
	(9,869)	(5,656)	(15,525)	(15,525)	-	2,256	-	-	446	12,860	15,562	37
(B) Representation (BC)												
Approved Regulator: Corp.	(1,328)	(539)	(1,867)	(1,680)	(187)	-	-	-	170	1,599	1,769	(98)
Donations:	(234)	-	(234)	(234)	-	-	-	-	-	234	234	-
Representation & Policy:												
Regulation, Law Reform & Ethics	(371)	(282)	(653)	(620)	(33)	-	-	-	-	590	590	(63)
Legal Practice & Remuneration	(291)	(128)	(419)	(419)	-	-	-	-	-	399	399	(20)
Diversity & Inclusion	(441)	(205)	(646)	(646)	-	34	187	-	-	615	836	190
International	(351)	(154)	(505)	(480)	(25)	11	-	-	-	457	468	(37)
Brussels	(173)	-	(173)	(138)	(35)	-	-	-	-	131	131	(42)
Communications/Marketing	(624)	(334)	(958)	(958)	-	-	11	192	-	912	1,115	157
Movement in holiday accrual		25	25	6	19	-	-	(6)	-	(19)	(25)	-
	(3,813)	(1,617)	(5,430)	(5,169)	(261)	45	198	186	170	4,918	5,517	87
(C) Services to the Bar:	(886)	(488)	(1,374)	-	(1,374)	776	-	1,191	-	-	1,967	593
Bar Council (B) & (C)	(4,699)	(2,105)	(6,804)	(5,169)	(1,635)	821	198	1,377	170	4,918	7,484	680
Principal Activities	(14,568)	(7,761)	(22,329)	(20,694)	(1,635)	3,077	198	1,377	616	17,778	23,046	717
Subsidiary organisations		(32)	(32)		(32)	20	-	-	-	-	20	(12)
GCB Operating Activities	(14,568)	(7,793)	(22,361)	(20,694)	(1,667)	3,097	198	1,377	616	17,778	23,066	705
Non Operating Activities			(1,060)	(1,060)	-	-	-	-	1,186	1,060	2,246	1,186
Total as per Income Statement (before Tax)			(23,421)	(21,754)	(1,667)	3,097	198	1,377	1,802	18,838	25,312	1,891

* Other income includes £869k unrealised investment gain

Prior year comparative information can be found (In note 19) on page 41.

The General Council of the Bar
Financial Statements for the year to
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5. Analysis of income by division

	Bar Standards Board		Bar Council		Subtotal Operating Results		Non-Operating Results		Total GCB	
	2024 £000's	2023 £000's	2024 £000's	2023 £000's	2024 £000's	2023 £000's	2024 £000's	2023 £000's	2024 £000's	2023 £000's
Practising Certificate Fees	12,860	11,478	4,918	4,796	17,778	16,274	1,060	922	18,838	17,196
Inns Contributions	-	-	198	214	198	214	-	-	198	214
Bar Representation Fee Subscriptions	-	-	1,377	1,266	1,377	1,266	-	-	1,377	1,266
Fees, Charges & Services	2,702	2,512	1,011	1,054	3,713	3,566	-	-	3,713	3,566
Government Grant	-	-	-	-	-	-	-	-	-	-
Interest on Pension Assets	-	-	-	-	-	-	317	141	317	141
Write-off of Pension Reserve	-	-	-	-	-	-	-	50	-	50
Total Income	15,562	13,990	7,504	7,330	23,066	21,320	1,060	1,113	24,443	22,433
Total Expenditure	15,525	13,599	6,836	6,559	22,361	20,158	1,060	922	23,421	21,080
Investment gains/ (losses)							869	(133)	869	(133)
Surplus/ (Loss) Before Taxation and Other Comprehensive Income	37	391	668	771	705	1,162	1,186	58	1,891	1,220
<u>Analysis of Surplus by Source Before Taxation:</u>										
Permitted Purposes	37	391	394	456	431	847	1,186	58	1,617	905
Other	-	-	274	315	274	315	-	-	274	315

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Financial Statements for the year to
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6 (a) Non-Operating Expenditure

	Year to 31/03/24 £000's	Year to 31/03/23 £000's
Payments:		
LSB Running Costs	643	387
OLC Running Costs	417	535
	<hr/>	<hr/>
Subtotal	1,060	922
Net pension scheme	-	-
Other Pension Costs	-	-
	<hr/>	<hr/>
	1,060	922
	<hr/> <hr/>	<hr/> <hr/>
Recorded as Operating Costs		
Non-Operating Costs	1,060	922
	<hr/> <hr/>	<hr/> <hr/>

6 (b) Operating result

	Year to 31/03/24 £000's	Year to 31/03/23 £000's
The Operating Result has been arrived at after charging:		
Auditors' remuneration:		
Audit fees	42	38
Non-audit services:		
Accounts preparation	3	3
Taxation compliance	7	12
Depreciation	979	1,188
Operating lease property rentals	579	560

6 (c) Divisional expenditure

	Bar Standards Board		Bar Council		Resources Group		Total GCB	
	2024	2023	2024	2023	2024	2023	2024	2023
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Direct Staffing	7,312	6,227	3,345	3,163	2,647	2,271	13,304	11,661
Other Direct Costs	2,557	2,299	1,354	1,214	5,058	4,834	8,970	8,347
Direct Costs	9,869	8,526	4,699	4,377	7,705	7,105	22,274	20,008
Overhead Allocation	5,576	5,011	2,130	2,094	(7,705)	(7,105)	-	-
Cost of Subsidiaries	-	-	32	12	-	-	32	12
Movement in Holiday Pay accrual	80	62	(25)	76	-	-	55	138
Divisional Operating Costs	15,525	13,599	6,836	6,559	-	-	22,361	20,158

Direct staff costs include salaries, wages and employment related costs (note 7).

The General Council of the Bar
Financial Statements for the year to
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The movement in holiday pay accrual is allocated between divisions according to headcount. Resources Group costs are allocated to business areas where business specific costs arise otherwise are apportioned according to average headcount.

7. Employment costs

	Year to 31/03/24 £000's	Year to 31/03/23 £000's
Salaries	9,904	8,556
National Insurance	1,159	1,011
DC Pension Contribution	772	629
DB Pension Contribution	-	-
Other Staff Costs, Temporary Staff & Recruitment	762	798
Termination payments	-	67
	<u>12,597</u>	<u>11,061</u>
Total Costs of Employment	<u>12,597</u>	<u>11,061</u>

During the year the Bar Council contributed £nil (2022/23: £1.15m) to the Defined Benefit Pension Scheme. This is included in the Income Statement.

Office Holders & Key Management Personnel

Number of Key Management Personnel by total remuneration

Total Remuneration level	2024				2023			
	RGP	Bar Council	BSB	Total	RGP	Bar Council	BSB	Total
£180,000 or greater	-	2	-	2	-	1	-	1
£160,000-£179,999	-	-	1	1	-	1	-	1
£140,000-£159,999	-	1	-	1	-	-	1	1
£120,000-£139,999	1	-	1	2	1	-	-	1
£100,000-£119,999	1	2	5	8	1	1	5	7
£80,000-£99,999	-	3	-	3	-	4	1	5
Less than £80,000	-	-	1	1	-	1	1	2
	<u>244</u>	<u>1,039</u>	<u>902</u>	<u>2,185</u>	<u>226</u>	<u>927</u>	<u>834</u>	<u>1,987</u>
Total Remuneration of Key Management Personnel	244	1,039	902	2,185	226	927	834	1,987
(£000's)								

The General Council of the Bar
Financial Statements for the year to
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7. Employment costs (continued)

The Chair of the Bar was paid £199,760 pro rata (2022/23: £193,450) and the Chair of BSB was paid £116,616 pro rata (2022/23: £105,684).

The Vice-Chair of the Bar was paid £97,712 pro rata (2022/23: £96,725). The Vice-Chair of the BSB received £38,796 pro rata (2022/23: £38,690).

The Treasurer received £nil remuneration in the year (2022/23: £nil).

The Chair of the Young Bar Committee was paid £20,000 pro rata (2022/23: £21,584). No other Bar Council member received remuneration in the year, and all gave their time freely.

Total remuneration includes salaries, allowances and employer pension contributions.

The GCB considers the Officers, Executive and senior management teams of the Bar Council and BSB to comprise the Key Management Personnel as they are in charge of directing and controlling, running and operating their respective organisations on a day to day basis.

The pay of all staff, Officers and Key Management Personnel above are reviewed annually and with regard to changes in average earnings and affordability. The joint Emoluments Committee reviews, benchmarks and approves the pay of all key management personnel benchmark and staff.

Details of related party transactions are disclosed in note 8 below.

8. Related party transactions

The General Council of the Bar appoints the Trustees of the Pension and Life Assurance Fund, the Bar Council Scholarship Trust and the Directors of Bar Council Properties Limited, and the Barristers' Foundation. The Bar Council has borne administration expenses for these four bodies of £8,160. (2023 - £7,440)

The General Council of the Bar is the sole shareholder Bar Council Properties Limited. The Chief Executive of the Bar Council holds the one share in issue in Bar Council Properties Limited on behalf of the Council.

The General Council of the Bar and the Law Society are the sole members of King's Counsel Appointments ("KCA"). The Chief Executive of the Bar Council and the Chief Executive of the Law Society have been appointed as Directors of KCA.

The General Council of the Bar provides accounting and secretarial services to KCA at a charge of £7,000 plus VAT per annum (2022/23: £7,000 plus VAT). In addition, both members of KCA received a management fee in 2023/24 of £25,000 plus VAT (2022/23: £25,000 plus VAT).

Information on the honorarium paid to the Chairman of the Bar is shown in Note 7. Expenses paid in respect of members of the Bar Council, including the Chairman, when acting on the Bar Council's business totalled £18,838 (2022/23: £45,436).

There were no other related party transaction requiring disclosure in this year or prior year.

The General Council of the Bar
Financial Statements for the year to
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9. Allocation of General Reserves

	Permitted purpose £000's	*Legal challenges £000's	Other General Reserves £000's	Total General Reserves £000's
Balance at 1 April 2022	4,892	296	5,812	11,000
Surplus	715	-	306	1,021
Transfer to Pension Reserve	(1,150)	-	-	(1,150)
Transfer to Legal Challenges Reserve	(200)	200	-	-
Transfer for legal costs	188	(188)	-	-
Balance 31 March 2023	<u>4,445</u>	<u>308</u>	<u>6,118</u>	<u>10,871</u>
Surplus	959	-	372	1,331
Transfer to Pension Reserve	(1)	-	-	(1)
Transfer to Legal Challenges Reserve	(200)	200	-	-
Transfer for legal costs	144	(144)	-	-
Balance 31 March 2024	<u><u>5,347</u></u>	<u><u>364</u></u>	<u><u>6,490</u></u>	<u><u>12,201</u></u>

*Legal Challenges is a designated Permitted Purpose reserve created to hold and provide visibility of the costs of BSB defending against legal challenges following the cessation of uneconomic third-party insurance cover in 2024.

10. Fixed Assets

GCB/Group	Leasehold Improvement £000's	Office Furniture £000's	IT Equipment £000's	Database/ Software £000's	Total £000's
Cost					
Balance: 1 April 2023	2,214	94	1,326	5,555	9,188
Additions	-	113	117	652	882
Disposals	-	-	-	-	-
Balance: 31 March 2024	<u>2,214</u>	<u>207</u>	<u>1,443</u>	<u>6,207</u>	<u>10,070</u>
Depreciation and amortisation					
Balance: 1 April 2023	746	64	814	4,239	5,863
Charge for the year	244	24	226	485	979
Disposals	-	-	-	-	-
Balance: 31 March 2024	<u>990</u>	<u>88</u>	<u>1,040</u>	<u>4,724</u>	<u>6,842</u>
Net Book Value					
At 31 March 2024	<u><u>1,224</u></u>	<u><u>119</u></u>	<u><u>403</u></u>	<u><u>1,483</u></u>	<u><u>3,229</u></u>
At 31 March 2023	<u><u>1,468</u></u>	<u><u>30</u></u>	<u><u>512</u></u>	<u><u>1,315</u></u>	<u><u>3,325</u></u>

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10. Fixed assets (continued)

Included within the Net Book Value are assets under construction (AUC) were £27k at 31 March 2024 (2022/23: £27k).

Of the total assets held those classified as Database/Software relate to intangible assets.

11. Subsidiaries & associated bodies

The group accounts consolidate the accounts of the General Council of the Bar and two subsidiary entities.

GCB Subsidiary Investments	Statement of Financial Position		
Company	Loan £'s	Shares £'s	£000's
Bar Council Properties Ltd	-	1	-

			-
			=====

Bar Council Properties Limited

This company is dormant and has undertaken no transactions since its incorporation. It acts as nominee for the Bar Council and holds the leases of the various floors occupied at Celcon House, 289-293 High Holborn, London. The company's Balance Sheet is not material and so is not included within these accounts.

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11. Subsidiaries & associated bodies (continued)

Bar Council Scholarship Trust

The General Council of the Bar appoints the Trustees of the charity, The Bar Council Scholarship Trust (BCST). BCST provides funding to young men and women seeking to become practising members of the Bar in England and Wales. At 31 March 2024, the net assets of the Trust stood at £858k (2022/23: £813k).

The Barristers' Foundation

The General Council of the Bar appoints the Trustees of the charity, The Barristers' Foundation (TBF) registered charity No.1186390. TBF supports barristers (and prospective barristers) who may be disadvantaged within the workplace, thereby supporting diversity in the profession.

The results of the subsidiaries for the year ending 31 March 2024 are as follows:

	Bar Scholarship Trust		The Barristers' Foundation	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Income statement				
Income	24	19	4	14
Expenditure	(25)	(14)	(14)	(9)
Forgiveness of loan from parent	-	-	-	-
Net result for the year	(1)	5	(10)	5
Balance Sheet				
Fixed Assets	-	-	-	-
Investments	801	753	-	-
Net current assets/ (liabilities)	57	60	3	14
Net assets	858	813	3	15

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12. Investments

	Parent		Group	
	2024 £000's	2023 £000's	2024 £000's	2023 £000's
Market Value				
Balance: 1 April	1,588	1,670	2,341	2,467
Additions at cost	6,000	108	6,181	350
Disposal proceeds	(1,503)	(53)	(1,686)	(343)
Gains/(losses)	819	(301)	869	(133)
	<u>6,904</u>	<u>1,588</u>	<u>7,705</u>	<u>2,341</u>
Balance: 31 March 2023				
Analysis: Investments	6,153	1,543	6,915	2,257
Cash	751	45	790	84
	<u>6,085</u>	<u>1,890</u>	<u>6,827</u>	<u>2,706</u>
Historical Cost				
	6,085	1,890	6,827	2,706

The investments held comprise units in a number of Barclays Investments and Cazenove Capital Management Limited investment funds.

13. Debtors & prepayments

	Parent		Group	
	2024 £000's	2023 £000's	2024 £000's	2023 £000's
Trade Debtors	1,450	1,237	1,450	1,237
Accrued Income	58	29	58	30
Prepayments	1,001	772	1,003	774
Other Debtors	216	178	214	178
	<u>2,725</u>	<u>2,216</u>	<u>2,725</u>	<u>2,219</u>

The amount of trade debtors is stated net after deducting a bad debt provision of £nil (2022/23: £3,000).

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14. Creditors: due within one year

	Parent		Group	
	2024	2023 (as restated)	2024	2023 (as restated)
	£000's	£000's	£000's	£000's
Deferred Income: PCF	21,219	18,117	21,219	18,117
BRF	831	879	831	879
	<u>22,050</u>	<u>18,996</u>	<u>22,050</u>	<u>18,996</u>
Deferred Income (see note 13b)				
Trade Creditors	330	261	330	261
Accruals and other deferred income	1,963	2,678	1,963	2,678
Other taxes & social security	546	415	546	415
Sundry Creditors	1,533	756	1,536	759
Bank Loan	-	1,000	-	1,000
	<u>4,372</u>	<u>5,112</u>	<u>4,375</u>	<u>5,113</u>
Total creditors	<u>26,422</u>	<u>24,106</u>	<u>26,425</u>	<u>24,109</u>

14 a) Deferred income and Non-Operating Income

	LSB/OLC Levy		Pension Scheme Contribution		Total	
	Year to 31/03/24 £000's	Year to 31/03/23 £000's	Year to 31/03/24 £000's	Year to 31/03/23 £000's	Year to 31/03/24 £000's	Year to 31/03/23 £000's
Balance at the 1st April	-	-	-	2,500	-	2,500
Amounts Collected in year	1,060	922	-	-	1,060	922
Recognised in Non-Operating Income	(1,060)	(922)	-	-	(1,060)	(922)
Repayments during the year	-	-	-	(1,150)	-	(1,150)
Release of pension reserve	-	-	-	(1,300)	-	(1,300)
Write-off of pension liability	-	-	-	(50)	-	(50)
	<u> </u>					
Balance at the 31st March	<u> </u>					

The General Council of the Bar
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14b. Deferred income movements

	PCF		BRF	
	£000's	£000's	£000's	£000's
	2024	2023	2024	2023
Balance as at 1 April	18,118	15,361	879	807
Amounts collected during the year	21,939	19,030	1,329	1,338
Recognised in Operating Income	(18,838)	(16,274)	(1,377)	(1,266)
Balance at 31 March	21,219	18,117	831	879

15. Loan Payable

In November 2023 the £5m CBILS loan was settled in full by early repayment. At 31 March 2024 the General Council of the Bar does not hold any long-term debt.

Loan repayments schedule:	2024	2023
	£000's	£000's
Within 1 year	-	1,000
Within 1-2 years	-	1,000
Within 3-5 years	-	1,350
	<u> </u>	<u> </u>

16. Commitments

(a) As at 31 March 2024, the Bar Council had non-cancellable commitments for operating leases as follows:

	Land & Buildings	
	2024	2023
	£000's	£000's
Expiring: Within 1-2 years	1,157	1,157
Expiring: Within 3-5 years	1,736	1,736
Expiring: >5years	579	1,157
	<u> </u>	<u> </u>

The gross property rental charge for the period was £578,527 (2022/23: £578,527).

The commitments reflect the rental lease to the first breakpoint of the lease agreement to March 2030.

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17. Defined Benefit Pension Scheme

The General Council of the Bar (the "Bar Council") operates a final salary defined benefit pension plan through The General Council of the Bar Pension and Life Assurance Fund (the "Fund"). The Fund closed to new members in July 2006 and closed to accrual for current service on 28 February 2013. The Bar Council now only offers pension provision to members of staff through a defined contribution (stakeholder) arrangement.

A full actuarial valuation of the defined benefit scheme was carried out as at 30 September 2022 and has been updated to 31 March 2024 by a qualified independent actuary.

The Bar Council and the Fund's Trustee agreed the results of the actuarial valuation as at 30 September 2021 in September 2022. This resulted in the Bar Council no longer being required to pay deficit reduction contributions.

This disclosure shows the Fund to have an unrecognised surplus at 31 March 2024 of £6.5m (31 March 2023: £6.7m unrecognised surplus). This decrease in the surplus is primarily due to:

- The actual return on assets being lower than expected over the year.

This was partially offset by:

- The increase in the discount rate which has reduced the value of liabilities verses the expected value over the year.

(a) Assumptions:

The major financial assumptions used by the actuary were:

	2024	2023
Rates per annum:	%	%
Inflation (CPI)	2.90	3.05
Salary increases	N/A	N/A
Discount Rate	4.85	4.75
Pension in payment increases (CPI, max 5%, Min 3%)	3.55	3.4
Proportion of employees opting for early retirement		
Revaluation rate for deferred pensions	5.00	5.00

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17. Defined Benefit Pension Scheme (continued)

(a) Assumptions (continued):

The mortality assumptions adopted imply the following life expectancies:

	2024	2023
Male retiring at age 65 today	21.8	21.7
Female retiring at age 65 today	24.1	24.0
Male retiring at age 65 in 20 years	22.8	22.7
Female retiring at age 65 in 20 years	25.2	25.1

Pre-retirement mortality rates

The following rates represent the probability of a person aged x exactly dying within one year.

Age x	Male	Female
- 30	0.0007	0.0003
- 40	0.0010	0.0007
- 50	0.0022	0.0016
- 60	0.0044	0.0031

(b) The amounts recognised in the Balance Sheet are as follows:

	2024	2023
	£000's	£000's
Fair value of scheme assets: see (e) below	24,687	24,830
Present value of scheme liabilities: see (d) below	(18,228)	(18,168)
	<hr/>	<hr/>
Surplus in scheme	6,459	6,662
	<hr/>	<hr/>
Asset to be recognised	-	-
	<hr/>	<hr/>

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Financial Statements for the year to
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17. Defined Benefit Pension Scheme
(continued)

(c) The amounts recognised in the Income & Expenditure Statement are as follows:

	2024	2023
	£000's	£000's
Income		
Interest Income	(1,170)	(802)
	=====	=====
Expenditure		
Interest Cost	853	661
	-----	-----
Total recognised in Consolidated Income Statement	(317)	(141)
	=====	=====
Actual return/(loss) on scheme assets	268	(6,524)

Administration expenses of £Nil (2022/23: £Nil) were paid from scheme assets during the accounting period to 31 March 2024.

(d) Amounts reported under the Statement of Other Comprehensive income are as follows:

	2024	2023
	£000's	£000's
Return on Scheme Assets excluding amounts included in interest expense/income	(902)	(7,326)
Re-measurement gains/(losses) on the defined benefit obligation - experience	68	(1,655)
Re-measurement gains/(losses) on the defined benefit obligation – changes in assumptions	314	9,525
Surplus Withheld – no cash benefit arising from reduction in or return of contributions	203	(1,835)
	-----	-----
Re-measurement gains/(losses) recognised in other comprehensive income	(317)	(1,291)
	=====	=====

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Financial Statements for the year to
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17. Defined Benefit Pension Scheme (continued)

(e) Change in the present value of the defined obligation in the period are as follows:

	2024	2023
	£000's	£000's
Scheme Liabilities: 1 April	18,168	25,483
Interest expense	853	661
Actuarial (gain)/loss	(382)	(7,870)
Benefits paid & Life Assurance Premium	(411)	(106)
	<u> </u>	<u> </u>
Scheme Liabilities: 31 March	18,228	18,168
	<u> </u>	<u> </u>

FRS 102 states that the reconciliation of changes in the present value of the defined benefit obligation need not be presented for prior periods.

(f)	2024	2023
	£000's	£000's
Scheme Assets: 1 April	24,830	30,310
Interest Income	1,170	802
Return on Scheme assets excluding amounts included under interest expense/income	(902)	(7,326)
Employer Contributions	-	1,150
Administration fee paid from Scheme assets	-	-
Benefits paid & Life Assurance Premium	(411)	(106)
	<u> </u>	<u> </u>
Scheme Assets: 31 March	24,687	24,830
	<u> </u>	<u> </u>

FRS 102 states that the reconciliation of changes in the present value of the defined benefit obligation need not be presented for prior periods.

(g) The major categories of the scheme's assets as a percentage of the total scheme assets are:

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17. Defined Benefit Pension Scheme (continued)

	2024	2023
	%	%
Equities	0.0	14.2
Bonds	94.4	67.8
Cash	5.6	18.0
	<hr/>	<hr/>
Total Assets	100.0	100.0
	<hr/>	<hr/>

18. Taxation

	2024	2023
	£000's	£000's
Current tax on surplus for the year	196	97
	<hr/>	<hr/>
Total current tax	196	97
	<hr/> <hr/>	<hr/> <hr/>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2023 - the same as) the standard rate of corporation tax in the UK of 25% (2023 - 19%) as set out below:

	2024	2023
	£000's	As restated £000's
Surplus on ordinary activities	1,891	1,220
	<hr/>	<hr/>
Multiplied by standard rate of corporation tax in UK of 25% (2023-19%)	394	232
Effects of:		
Fixed asset differences	223	203
Expenses/income not deductible for tax purposes	(217)	(319)
Exempt ABGH distributions	(9)	-
Chargeable gains	152	39
Adjustments to tax charge in respect of previous periods	9	13
Movement in deferred tax	(141)	(44)
Unexplained differences (Prior period adjustment)	(215)	(27)
	<hr/>	<hr/>
Total tax charge for the year	196	97
	<hr/> <hr/>	<hr/> <hr/>

The Bar Council Scholarship Trust and The Barristers' Foundation are registered charities and all its income is exempt from tax under ss. 521-536 ITA 2007.

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Financial Statements for the year to
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Note 19: PRIOR YEAR Expenditure Analysis and Statement under s.51 Legal Services Act 2007

	2022/23 Spend			Analysis of Spend		Funded By					Total Income £000	Surplus / (Deficit) £000
	Direct Spend £000	Allocated Costs £000	Total Spend £000	Permitted Purposes £000	Other Purpose £000	Direct Income £000	Inns Cont'n £000	BRF £000	Other £000	PCF (P.P. only) £000		
Expenditure/Costs:												
(A) Regulation (BSB)												
Regulatory Operations	(4,430)	(2,639)	(7,069)	(7,069)	-	2,241	-	-	91	6,008	8,340	1,271
Legal and Enforcement	(2,500)	(1,348)	(3,848)	(3,848)	-	99	-	-	46	3,071	3,216	(632)
Strategy & Policy	(1,231)	(791)	(2,022)	(2,022)	-	-	-	-	27	1,803	1,830	(192)
Comms and Public Engagement	(365)	(233)	(598)	(598)	-	0	-	-	8	534	542	(56)
Movement in holiday accrual		(62)	(62)	(62)	-	-	-	-	-	62	62	0
	<u>(8,526)</u>	<u>(5,073)</u>	<u>(13,599)</u>	<u>(13,599)</u>	<u>-</u>	<u>2,340</u>	<u>-</u>	<u>-</u>	<u>172</u>	<u>11,478</u>	<u>13,990</u>	<u>391</u>
(B) Representation (BC)												
Approved Regulator: Corp.	(1,170)	(530)	(1,700)	(1,530)	(170)	-	-	-	72	1,477	1,549	(151)
Donations:	(234)	-	(234)	(234)	-	-	-	-	-	234	234	-
Representation & Policy:												
Regulation, Law Reform & Ethics	(274)	(159)	(433)	(411)	(22)	10	-	-	-	397	407	(26)
Legal Practice & Remuneration	(281)	(159)	(440)	(440)	-	-	-	-	-	425	425	(15)
Diversity & Inclusion	(438)	(212)	(650)	(650)	-	73	202	-	-	628	903	253
International	(345)	(159)	(504)	(479)	(25)	35	-	-	-	462	497	(7)
Brussels	(150)	0	(150)	(120)	(30)	-	-	-	-	116	116	(34)
Communications/Marketing	(637)	(398)	(1,035)	(1,035)	-	-	12	207	-	999	1,218	183
Movement in holiday accrual		(76)	(76)	(18)	(58)	-	-	18	-	58	76	-
	<u>(3,529)</u>	<u>(1,693)</u>	<u>(5,222)</u>	<u>(4,917)</u>	<u>(305)</u>	<u>118</u>	<u>214</u>	<u>225</u>	<u>72</u>	<u>4,796</u>	<u>5,425</u>	<u>203</u>
(C) Services to the Bar:	<u>(848)</u>	<u>(477)</u>	<u>(1,325)</u>	<u>-</u>	<u>(1,325)</u>	<u>841</u>	<u>-</u>	<u>1,041</u>	<u>-</u>	<u>-</u>	<u>1,882</u>	<u>557</u>
Bar Council (B) & (C)	<u>(4,377)</u>	<u>(2,170)</u>	<u>(6,547)</u>	<u>(4,917)</u>	<u>(1,630)</u>	<u>959</u>	<u>214</u>	<u>1,266</u>	<u>72</u>	<u>4,796</u>	<u>7,307</u>	<u>760</u>
Principal Activities	(12,903)	(7,243)	(20,146)	(18,516)	(1,630)	3,299	214	1,266	244	16,274	21,297	1,151
Subsidiary organisations		(12)	(12)		(12)	23	-	-	-	-	23	11
GCB Operating Activities	(12,903)	(7,255)	(20,158)	(18,516)	(1,642)	3,322	214	1,266	244	16,274	21,320	1,162
Non Operating Activities			(1,055)	(1,055)	-	-	-	-	191	922	1,113	58
Total as per Income Statement (before Tax)			(21,213)	(19,571)	(1,642)	3,322	214	1,266	435	17,196	22,433	1,220

* Other expenditure includes £133k unrealised investment loss.

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Officers and Professional Advisers

The Bar Council

Officers

Chair:	Jan 24 to Mar 24	Samuel Townend KC
Vice Chair:	Jan 24 to Mar 24	Barbara Mills KC
Treasurer:		Lorinda Long
Chair:	Apr 23 to Dec 23	Nick Vineall KC
Vice Chair:	Apr 23 to Dec 23	Samuel Townend KC
Chief Executive		Malcolm Cree CBE

Bar Standards Board

Chair:		Kathryn Stone OBE
Vice Chair:		Andrew Mitchell KC
Director-General		Mark Neale

Corporate Advisors

Auditors

Haysmacintyre LLP
10 Queen Street Place,
London EC4R 1AG

Bankers

Child & Co.,
The Royal Bank of Scotland Group
1 Fleet Street,
London EC4Y 1BD

**Investment Portfolio
Managers**

Schroders & Co Ltd (trading as
Cazenove Capital Management
Limited)
12 Moorgate,
London EC2R 6DA

Barclays Private Bank
Level 27
1 Churchill Place
London
E14 5HP