

COMPANY REGISTRATION NUMBER: 04919219

**Institute of Paralegals
Company Limited by Guarantee
Filleter Financial Statements
31 March 2017**



HEBBLETHWAITES
Chartered Accountants & Statutory Auditor
2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

Institute of Paralegals
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2017

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Institute of Paralegals

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Officers and Professional Advisers

The board of directors

Mr P B Excell (Resigned 14 June 2016)
Mr A Hammond (Served from 28 July 2016 to 11 May 2017)
Mr D Brown (Served from 17 November 2016 to 11 May 2017)
Mr D A Holland (Resigned 28 July 2016)
Mr P Reynolds (Resigned 17 November 2016)
Mr I E Grant (Appointed 11 May 2017)
Mrs R C Leat (Appointed 11 May 2017)

Registered office

Suite 1, 3rd Floor
11-12 St James's Square
London
England
SW1Y 4LB

Auditor

Hebblethwaites
Chartered Accountants & Statutory Auditor
2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

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Directors' Responsibilities Statement

Year ended 31 March 2017

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Institute of Paralegals
Company Limited by Guarantee
Statement of Financial Position
31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	6	1,218	–
Tangible assets	7	546	–
Investments	8	37,524	49,500
		<u>39,288</u>	<u>49,500</u>
Current assets			
Debtors	9	16,252	13,149
Cash at bank and in hand		12,557	16,624
		<u>28,809</u>	<u>29,773</u>
Creditors: amounts falling due within one year	10	(62,945)	(25,828)
Net current (liabilities)/assets		<u>(34,136)</u>	<u>3,945</u>
Total assets less current liabilities		<u>5,152</u>	<u>53,445</u>
Creditors: amounts falling due after more than one year	11	–	(53,246)
Net assets		<u>5,152</u>	<u>199</u>
Capital and reserves			
Profit and loss account		5,152	199
Members funds		<u>5,152</u>	<u>199</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 14/12/17, and are signed on behalf of the board by:



Mrs R C Leat
Director

Company registration number: 04919219

The notes on pages 4 to 10 form part of these financial statements.

Institute of Paralegals

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The company is a private company limited by guarantee, registered in England and Wales. The address of the registered office is Suite 1, 3rd Floor, 11-12 St James's Square, London, SW1Y 4LB, England.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At the year end date the company has net current liabilities of £34,136. The company meets its day to day working capital requirements through group borrowings which have been restructured since the year end. The directors consider that adequate financial support will continue for the foreseeable future to enable the company to meet its liabilities as they fall due and that it is appropriate to prepare the accounts on a going concern basis.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

Revenue recognition

Turnover represents the value, net of value added tax and discounts, of services provided to members and work carried out in respect of services provided to customers. 5.9% of turnover relates to overseas members (2016: 6.4%).

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Trademarks - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Investments *(continued)*

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Company limited by guarantee

The company is limited by guarantee and as such has no share capital.

5. Employee numbers

The average number of persons employed by the company during the year amounted to 2 (2016: 2).

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

6. Intangible assets

	Patents, trademarks and licences £
Cost	
Additions	<u>1,260</u>
At 31 March 2017	<u>1,260</u>
Amortisation	
Charge for the year	<u>42</u>
At 31 March 2017	<u>42</u>
Carrying amount	
At 31 March 2017	<u>1,218</u>
At 31 March 2016	<u>-</u>

7. Tangible assets

	Equipment £	Total £
Cost		
At 1 April 2016	<u>-</u>	<u>-</u>
Additions	708	<u>708</u>
At 31 March 2017	<u>708</u>	<u>708</u>
Depreciation		
At 1 April 2016	<u>-</u>	<u>-</u>
Charge for the year	162	<u>162</u>
At 31 March 2017	<u>162</u>	<u>162</u>
Carrying amount		
At 31 March 2017	<u>546</u>	<u>546</u>
At 31 March 2016	<u>-</u>	<u>-</u>

Institute of Paralegals

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

8. Investments

	Other investments other than loans £	Other loans £	Total £
Cost			
At 1 April 2016	55,000	18,299	73,299
Additions	–	15,524	15,524
Transfers	(22,000)	–	(22,000)
At 31 March 2017	<u>33,000</u>	<u>33,823</u>	<u>66,823</u>
Impairment			
At 1 April 2016	5,500	18,299	23,799
Impairment losses	5,500	–	5,500
At 31 March 2017	<u>11,000</u>	<u>18,299</u>	<u>29,299</u>
Carrying amount			
At 31 March 2017	<u>22,000</u>	<u>15,524</u>	<u>37,524</u>
At 31 March 2016	<u>49,500</u>	<u>–</u>	<u>49,500</u>

The investment in the Society of Specialist Paralegals (SSP) was acquired in 2013 for £55,000 and is amortised over its expected economic life of 10 years, with an amount written off during the year of £5,500 (2016 £5,500). An amount owing under the transfer agreement has been waived during the year resulting in a reduction in the cost of the investment by £22,000.

The Institute of Paralegals has advanced monies to the Professional Paralegal Register, which is a joint venture with the National Association of Licenced Paralegals. A provision has been included to write down the investment because of net liabilities in the development phase of the register.

9. Debtors

	2017 £	2016 £
Trade debtors	15,014	11,960
Other debtors	1,238	1,189
	<u>16,252</u>	<u>13,149</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

10. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	9,945	828
Amounts owed to group undertakings and undertakings in which the company has a participating interest	49,637	–
Corporation tax	1,250	5,394
Social security and other taxes	600	573
Other creditors	1,513	19,033
	<u>62,945</u>	<u>25,828</u>

11. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest	–	42,246
Other creditors	–	11,000
	<u>–</u>	<u>53,246</u>

12. Events after the end of the reporting period

Post year end, the company was acquired by GL Business Solutions Ltd. At the same time, the Institute of Paralegals ceased to be a part of the Instructus group.

13. Summary audit opinion

The auditor's report for the year dated 18 December 2017 was unqualified.

The senior statutory auditor was Andrew Throssell FCA, for and on behalf of Hebblethwaites.

14. Related party transactions

The Institute of Paralegals was, throughout the reporting year, wholly controlled by Instructus, Company number 07066687 registered in England and Wales, a registered charity (Charity Registration 1144894).

At 31 March 2017, creditors due after more than one year included £Nil (2016 £42,246) owed by the Institute of Paralegals to Instructus. Creditors due within one year at 31 March 2017 include £49,637 (2016 £Nil) owed by the Institute of Paralegals to Instructus. Instructus charged interest at 2.5% per annum on the loan throughout the year. The total interest charged on this loan during the year was £1,132 (2016 £1,290).

The financial statements do not include disclosure of all transactions between the subsidiary and its parent. The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102, not to disclose related party transactions where the subsidiary's activities are 100% controlled by the parent, Instructus. The consolidated accounts can be found at Unit 3, Cherry Hall Road, North Kettering Business Park, Kettering NN14 1UE.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in equity or profit or loss for the year.