

Draft Accounts

Insolvency Lawyers' Association Limited

Company limited by guarantee

Financial statements

30 November 2007

Insolvency Lawyers' Association Limited

Financial statements

Year ended 30 November 2007

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Insolvency Lawyers' Association Limited

Company information

Board of directors

V.S.D. Tettmar
P.E. Cranston
S.R. Davies QC
I.T. Field
K. Baird
M.L. Verrill
D.W.C Mallon
W.S.P. Trower QC
R.A. Lowe
N.D. Barnett
S. Fennell

Company secretary

P.R. Joyce

Registered office

Valiant House
4-10 Heneage Lane
London
EC3A 5DQ

Auditor

Chantrey Vellacott DFK LLP
Chartered Accountants
Registered Auditor
Russell Square House
10 - 12 Russell Square
London
WC1B 5LF

Insolvency Lawyers' Association Limited

Directors' report

Year ended 30 November 2007

The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 30 November 2007.

Principal activities

The principal activity is that of an association for insolvency lawyers.

Directors

The directors who served the company during the year were as follows:

V.S.D. Tettmar
P.E. Cranston
L. A. Crowley
S.R. Davies QC
F.P. Devine
I.T. Field
K. Baird
M.L. Verrill
D.W.C Mallon
W.S.P. Trower QC
R.A. Lowe
N.D. Barnett
S. Fennell

S. Fennell was appointed as a director on 23 October 2007.

L. A. Crowley resigned as a director on 12 July 2007.

F.P. Devine resigned as a director on 3 March 2007.

Directors' responsibilities

The directors are responsible for preparing the annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Chantrey Vellacott DFK LLP as auditor for the ensuing year will be proposed at the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

Insolvency Lawyers' Association Limited

Directors' report *(continued)*

Year ended 30 November 2007

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed on behalf of the directors

M L Verrill
Director

Approved by the directors on

Insolvency Lawyers' Association Limited

Independent auditor's report to the members of Insolvency Lawyers' Association Limited

Year ended 30 November 2007

We have audited the financial statements of Insolvency Lawyers' Association Limited for the year ended 30 November 2007 which comprise the profit and loss account, balance sheet and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Insolvency Lawyers' Association Limited

**Independent auditor's report to the members of
Insolvency Lawyers' Association Limited (continued)**

Year ended 30 November 2007

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 November 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

CHANTREY VELLACOTT DFK LLP

**Chartered Accountants
Registered Auditor**

London

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Insolvency Lawyers' Association Limited

Profit and loss account

Year ended 30 November 2007

	Note	2007 £	2006 £
Turnover		68,571	58,580
Administrative expenses		64,130	51,156
Other operating income	2	(24,331)	(9,706)
Operating profit	3	28,772	17,130
Interest receivable		3,118	1,505
Profit on ordinary activities before taxation		31,890	18,635
Tax on profit on ordinary activities	4	613	191
Profit for the financial year		31,277	18,444

All of the activities of the company are classed as continuing.

The company had no recognised gains or losses other than the results as set out above.

There is no difference between the profits shown above and their historical cost equivalents.

The notes on pages 8 to 10 form part of these financial statements.

Insolvency Lawyers' Association Limited

Balance sheet

As at 30 November 2007

	Note	2007 £	2006 £
Current assets			
Debtors	5	16,074	32,963
Cash at bank		115,790	72,625
		<u>131,864</u>	<u>105,588</u>
Creditors: amounts falling due within one year	6	<u>26,784</u>	<u>31,785</u>
Net current assets		<u>105,080</u>	<u>73,803</u>
Total assets less current liabilities		<u>105,080</u>	<u>73,803</u>
Reserves	7		
Profit and loss account	8	<u>105,080</u>	<u>73,803</u>
Members' funds		<u>105,080</u>	<u>73,803</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the Board and authorised for issue on, and were signed on its behalf by:

.....
I.T. Field

.....
M.L. Verrill

The notes on pages 8 to 10 form part of these financial statements.

Insolvency Lawyers' Association Limited

Notes to the financial statements

Year ended 30 November 2007

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

Turnover consists of membership subscriptions receivable.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Other operating income

	2007 £	2006 £
Annual dinner, conference and seminars	<u>24,331</u>	<u>9,706</u>

3. Operating profit

Operating profit is stated after charging:

	2007 £	2006 £
Auditor's fees	<u>3,775</u>	<u>3,910</u>

Insolvency Lawyers' Association Limited

Notes to the financial statements

Year ended 30 November 2007

4. Taxation on ordinary activities

(a) Analysis of charge in the year

	2007 £	2006 £
Current tax:		
UK Corporation tax based on the results for the year	613	191
Total current tax	<u>613</u>	<u>191</u>

The company does not have a tax charge on an operating surplus, nor is it able to reclaim tax on a deficit, as it is a mutual trade association. The tax charge in the accounts relates to interest received.

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20% (2006 - 19%).

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>31,890</u>	<u>18,635</u>
Profit on ordinary activities multiplied by rate of tax	6,378	3,541
Tax chargeable at lower rates	(11)	(95)
Income not taxable for tax purposes	<u>(5,754)</u>	<u>(3,255)</u>
Total current tax (note 4(a))	<u>613</u>	<u>191</u>

5. Debtors

	2007 £	2006 £
Trade debtors	11,304	27,963
Other debtors	<u>4,770</u>	<u>5,000</u>
	<u>16,074</u>	<u>32,963</u>

Insolvency Lawyers' Association Limited

Notes to the financial statements

Year ended 30 November 2007

6. Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	17,992	23,697
Corporation tax	613	191
Other taxation	3,089	2,942
Other creditors	5,090	4,955
	<u>26,784</u>	<u>31,785</u>

7. Company limited by guarantee

The company does not have share capital. It is limited by a guarantee and the liability of the members is limited to £1 each.

8. Profit and loss account

	2007 £	2006 £
Balance brought forward	73,803	55,359
Profit for the financial year	31,277	18,444
	<u>105,080</u>	<u>73,803</u>

Insolvency Lawyers' Association Limited

Management information

Year ended 30 November 2007

**The following page does not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 4 to 5.**

Insolvency Lawyers' Association Limited

Detailed profit and loss account

Year ended 30 November 2007

	2007 £	2006 £
Turnover		
Subscriptions received	68,571	58,580
Overheads		
Council members travel expenses	2,609	2,382
Website maintenance and development	5,260	3,843
Donations	250	250
Sundry expenses	115	630
Subscriptions to Insolvency Intelligence	47,816	35,729
Legal and professional fees	3,500	3,280
Audit fees	3,775	3,910
Bad debts written off	-	330
Bank charges	805	802
	64,130	51,156
	4,441	7,424
Other operating income		
Annual dinner, conference and seminars	24,331	9,706
Operating profit	28,772	17,130
Bank interest received	3,118	1,505
Profit on ordinary activities	31,890	18,635