

Devon and Somerset Law Society

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements
for the year ended 31 December 2021



LAW SOCIETY

DEVON AND SOMERSET LAW SOCIETY

Company Information

Registered office	Wollens LLP At Harbourside 67 The Terrace Torquay Devon TQ1 1DP
Bankers	Handelsbanken Exeter 19 Southernhay West EXETER Devon EX1 1PJ Barclays Bank Plc 3 Bedford Street EXETER Devon EX1 1LX Shawbrook Bank Limited Lutea House Warley Hill Business Park The Drive, Great Warley BRENTWOOD Essex CM13 3BE aldermore 1st Floor, Block B Western House Lynch Wood PETERBOROUGH PE2 6FZ
Accountants	Glover Stanbury Chartered Accountants 30 Bear Street BARNSTAPLE Devon EX32 7DD

DEVON AND SOMERSET LAW SOCIETY

Committee Members' Report for the Year Ended 31 December 2021

The members of the Committee present their report and the financial statements for the year ended 31 December 2021. The members of the Committee are directors for the purposes of company law.

Principal activity

The principal activity of the company is the promotion of the interests of the legal profession.

Directors of the company

The members who held office during the year were as follows:

P D Kelly (President)

N H Lyons (Immediate Past President)

A J Richards (Vice President)

M I Merryweather (Deputy Vice President) (appointed 5 May 2021)

C D Hart (Hon. Secretary)

R A Adams (Hon. Treasurer and Law Society Council Member)

S C Aggett (SBA The Solicitors' Charity Representative)

R E Parkman (SBA The Solicitors' Charity Representative)

M B G Cosgrave

M Downey (Local Government Representative)

S M Forsey (ceased 28 June 2021)

C L Lovett

N K Mein (appointed 25 August 2021)

M D Meleady (appointed 5 May 2021)

E Mitcham

R L E Morley

H R Porter (appointed 5 May 2021)

M S Roome

C J Tagg

S J Thompson (ceased 5 May 2021)

DEVON AND SOMERSET LAW SOCIETY

Committee Members' Report for the Year Ended 31 December 2021

Review of the year

The ongoing covid-19 pandemic and associated imposed restrictions during the year have continued to have a substantial impact upon the company, as is reflected in the financial statements.

The immediate actions taken by the members of the Committee in 2020 have flowed through into 2021 and reduced the deficit for the year to £27,649 compared to £56,332 in the prior year as reflected on page 7 of the accounts.

It is reassuring to note that our membership income has been relatively stable and this has provided much needed income during this difficult period for which we are very grateful to all our members for their support.

Revenue associated with seminar and training events remains depressed. However, looking forward it appears that it should be possible to hold the usual face to face events during 2022 which have not been possible for the last two years.

As reported last year the Society reluctantly had cause to make one employee redundant and this has reduced the salary bill accordingly, which is the main fixed cost of the Society. Government support in the form of furlough payments has been received to mitigate some payroll costs but this has now ended.

The major development at the end of the year is that it has been possible for the Society to sublet its office and this will give another source of income as well as removing the office rates charge which would otherwise fall on the Society.

The effect of this and the associated rental income will start to be reflected in 2022. We are extremely grateful to our management and administration staff of Monique and Tony who have been able to embrace working from home which has allowed this change to be effected as the impact upon the Society is substantial, effectively reducing the fixed costs and thus bringing a quite reasonable prospect of at least breaking even for the 2022 calendar year.

The Society is fortunate to have reasonable cash reserves which have been utilised to cover the current deficit and allowed the Society to proceed into 2022 with much more optimism with trading restrictions being relaxed and confidence to return to face to face seminars growing, thus giving reasonable hope that seminar income will gradually recover. It is reassuring to note that the value of the leasehold property held by the Society is likely to be well in excess of that stated in note 5 to the accounts, the property being held at depreciated cost versus its true market value.

DEVON AND SOMERSET LAW SOCIETY

Committee Members' Report for the Year Ended 31 December 2021

Responsibilities of the members of the Committee

The members of the Committee acknowledge their responsibilities for preparing the Committee Members' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the members of the Committee to prepare financial statements for each financial year. Under that law the members of the Committee 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 members of the Committee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the members of the Committee are required to:

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

The members of the Committee 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.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the committee on 9 March 2022 and signed on its behalf by:

C D Hart (Hon. Secretary)

Chartered Accountants' Report to the Members on the Preparation of the Unaudited Statutory Accounts of Devon and Somerset Law Society for the Year Ended 31 December 2021

We have reviewed the financial statements of Devon and Somerset Law Society for the year ended 31 December 2021, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Members of the Committee's responsibility for the financial statements

As explained more fully in the statement of the responsibilities of the members of the Committee set out on page 3, the members of the Committee are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Accountants' responsibility

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements and ICAEW Technical Release TECH 09/13AAF Assurance review engagements on historical financial statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics.

Scope of the assurance review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. These primarily consist of making enquiries of management and others within the company, as appropriate, applying analytical procedures and evaluating the evidence obtained. We have also performed additional procedures to those required under a limited assurance engagement as agreed with the members of the Committee. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 December 2021, and of its deficit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- in accordance with the requirements of the Companies Act 2006.

**Chartered Accountants' Report to the Members on the Preparation of the Unaudited Statutory Accounts of
Devon and Somerset Law Society for the Year Ended 31 December 2021**

Use of our report

This report is made solely to the company's members of the Committee, as a body, in accordance with the terms of our engagement letter. Our review has been undertaken so that we may state to the members of the Committee those matters we have agreed with them in our engagement letter 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 members of the Committee as a body for our work, for this report or the conclusions we have formed.

Glover Stanbury
Chartered Accountants
30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

9 March 2022

DEVON AND SOMERSET LAW SOCIETY**Profit and Loss Account and Statement of Retained Earnings for the Year Ended 31 December 2021**

	Note	2021 £	2020 £
Turnover		144,038	127,161
Cost of sales		<u>(27,910)</u>	<u>(26,899)</u>
Gross surplus		116,128	100,262
Administrative expenses		(153,885)	(168,742)
Other operating income		<u>9,072</u>	<u>9,864</u>
Operating deficit		(28,685)	(58,616)
Other interest receivable and similar income		<u>1,021</u>	<u>2,284</u>
Deficit before tax	±	<u>(27,664)</u>	<u>(56,332)</u>
Deficit for the financial year		(27,664)	(56,332)
Profit and loss reserves brought forward		<u>379,568</u>	<u>435,900</u>
Profit and loss reserves carried forward		<u><u>351,904</u></u>	<u><u>379,568</u></u>

DEVON AND SOMERSET LAW SOCIETY

(Registration number: 00213866)

Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	159,404	164,247
Current assets			
Stocks	<u>6</u>	363	502
Debtors	<u>7</u>	7,406	8,802
Cash at bank and in hand		<u>224,505</u>	<u>230,814</u>
		232,274	240,118
Creditors: Amounts falling due within one year	<u>8</u>	<u>(39,774)</u>	<u>(24,797)</u>
Net current assets		<u>192,500</u>	<u>215,321</u>
Net assets		<u>351,904</u>	<u>379,568</u>
Capital and reserves			
Profit and loss account		<u>351,904</u>	<u>379,568</u>
Profit and loss reserves		<u>351,904</u>	<u>379,568</u>

For the financial year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Responsibilities of the members of the Committee:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the committee on 9 March 2022 and signed on its behalf by:

P D Kelly (President)

R A Adams (Hon. Treasurer and Law Society Council Member)

C D Hart (Hon. Secretary)

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a company limited by guarantee, incorporated in the United Kingdom, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

Wollens LLP
At Harbourside
67 The Terrace
Torquay
Devon
TQ1 1DP

These financial statements were authorised for issue by the committee on 9 March 2022

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in £'s.

Going concern

The financial statements have been prepared on a going concern basis.

Judgements

There are no judgements which management have made in the process of applying the accounting policies.

Key sources of estimation uncertainty

There are no key sources of estimation uncertainty that have a significant risk of causing a material adjustment to assets and liabilities to be disclosed.

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises seminar and sponsorship revenue at the time of the event, employment register income on successful placement, and subscription income at the time of renewal of the membership, which is coterminous with the year end.

Government grants

Grants have been recognised in the accounts under the accrual model. Under the accrual model, grants relating to revenue shall be recognised as income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Tax

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amounts of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	10% reducing balance
Computer equipment	33% reducing balance
Land and buildings	50 years straight line

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021 Financial instruments

Classification

Basic financial assets include trade and other debtors, cash and bank balances. Basic financial liabilities include trade and other payables, bank loans and preference shares that are classified as debt.

Recognition and measurement

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. Other debtors are classified as current assets if payment is due within one year or less and are initially recorded at transaction price and subsequently measured at the undiscounted amount of the cash expected to be received. Trade debtors are referred to above.

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other creditors are classified as current liabilities if payment is due within one year or less and are recognised initially at transaction price and subsequently measured at the undiscounted amount of the cash expected to be paid. If not, they are presented as non-current liabilities and are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Trade creditors and leases are referred to above.

Impairment

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

3 Staff numbers

The average number of persons employed by the company (including officers receiving honorarium) during the year was 4 (2020 - 5).

4 Deficit before tax

Arrived at after charging

	2021	2020
	£	£
Depreciation expense	4,829	5,203

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

5 Tangible assets

	Long leasehold land and buildings £	President's Jewels £	Office equipment £	Total £
Cost or valuation				
At 1 January 2021	204,971	1	12,547	217,519
Disposals	-	-	(170)	(170)
At 31 December 2021	204,971	1	12,377	217,349
Depreciation				
At 1 January 2021	43,265	-	10,007	53,272
Charge for the year	4,099	-	730	4,829
Eliminated on disposal	-	-	(156)	(156)
At 31 December 2021	47,364	-	10,581	57,945
Carrying amount				
At 31 December 2021	157,607	1	1,796	159,404
At 31 December 2020	161,706	1	2,540	164,247

The President's jewels include both the Devon and also Somerset jewels.

6 Stocks

	2021 £	2020 £
Stock of regalia	363	502

7 Debtors

	2021 £	2020 £
Trade debtors	6,819	7,699
Prepayments	587	1,103
Total current trade and other debtors	7,406	8,802

DEVON AND SOMERSET LAW SOCIETY

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

8 Creditors

Creditors: amounts falling due within one year

	2021 £	2020 £
Due within one year		
Trade creditors	979	1,103
Taxation and social security	10,229	10,645
Other creditors	14,566	13,049
Aston Court rent deposit	14,000	-
	<u>39,774</u>	<u>24,797</u>

9 Related party transactions

Officers' remuneration

The total officers' honorarium for the year was as follows:

	2021 £	2020 £
Honorarium payments	<u>21,484</u>	<u>21,158</u>

Summary of transactions with related parties

During the year, as reflected above, honorarium was paid to R A Adams (Hon. Treasurer) and C Hart (Hon. Secretary).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.