

**THE EMPLOYMENT LAWYERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandler's Ford
Eastleigh
Hampshire
SO53 4AR

THE EMPLOYMENT LAWYERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 02765744)

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FOR THE YEAR ENDED 31 DECEMBER 2022

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**THE EMPLOYMENT LAWYERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

DIRECTORS:

H E Adams
H M Belton
Ms M J Bloodworth
E M Cordingley
K L Edwards
C H G Glyn
T G F Goodwin
S Greenhalgh
Ms B Hale
Ms J S Harris
Ms S V E Hayes
Ms K Healy
Ms F J Herrell
M Jones
Ms L M Knowles
H A R Lynn
C N Mather
P M McFarlane
K R Morrison
E Nash
D E Pollard
S M C Pye
D J Regan
A C Roberts
Ms C L Rolston
R T Scrase
Ms C A Smith
Ms M Walsh

SECRETARY:

Ms J S Harris

REGISTERED OFFICE:

Highland House
Mayflower Close
Chandler's Ford
Eastleigh
Hampshire
SO53 4AR

REGISTERED NUMBER:

02765744 (England and Wales)

**THE EMPLOYMENT LAWYERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022**

SENIOR STATUTORY AUDITOR: Michaela Johns

INDEPENDENT AUDITORS: Hopper Williams & Bell Limited
Statutory Auditor
Highland House
Mayflower Close
Chandler's Ford
Eastleigh
Hampshire
SO53 4AR

THE EMPLOYMENT LAWYERS ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 02765744)

BALANCE SHEET
31 DECEMBER 2022

| | | 2022 | 2021 |
|--|-------|-------------------------|-------------------------|
| | Notes | £ | £ |
| FIXED ASSETS | | | |
| Intangible assets | 4 | 25,584 | 9,249 |
| Tangible assets | 5 | 3,755 | 4,028 |
| | | <u>29,339</u> | <u>13,277</u> |
| CURRENT ASSETS | | | |
| Debtors | 6 | 169,350 | 172,339 |
| Investments | 7 | 145,962 | 102,917 |
| Cash at bank | | 913,504 | 908,229 |
| | | <u>1,228,816</u> | <u>1,183,485</u> |
| CREDITORS | | | |
| Amounts falling due within one year | 8 | (487,278) | (503,278) |
| NET CURRENT ASSETS | | <u>741,538</u> | <u>680,207</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>770,877</u> | <u>693,484</u> |
| RESERVES | | | |
| Emergency fund | 9 | 350,000 | 250,000 |
| Income and expenditure account | 9 | 420,877 | 443,484 |
| | | <u>770,877</u> | <u>693,484</u> |

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 12 April 2023 and were signed on its behalf by:

R T Scrase - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. STATUTORY INFORMATION

The Employment Lawyers Association (A Company Limited By Guarantee) is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime.

The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Critical accounting judgements and key sources of estimation uncertainty

Impairment of debtors

The Association makes an estimate of the recoverable value of trade and other debtors by considering factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. The Association will (unless there is good reason to do otherwise) usually exclude from any provision any debt less than 30 days overdue or which is in respect of membership subscription for a subsequent year or an event that has not yet taken place. See note 6 for the net carrying amount of the debtors and associated impairment provision.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide membership services and events is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Association will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

What this means for ELA, is that we recognise revenue arising from subscription income in the period to which that subscription relates and we recognise income from events in the period in which the event takes place. ELA's usual practice is to issue renewal invoices for subscriptions in advance of the year to which that subscription relates and the value of these invoices is treated as Deferred Income (Note 8). Similarly, any expenses incurred in the period but which relate to events or the running of the Association in the subsequent year are treated as Prepayments (Note 6).

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Website costs are being amortised evenly over the estimated useful life of 3 years.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment - 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Financial assets

The Company has elected to apply the provision of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include trade and other receivables and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities

Basic financial liabilities which include trade and other payables, are initially measured at transaction price and subsequently measured at amortised cost, unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 4 (2021 - 4) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. INTANGIBLE FIXED ASSETS

| | Other intangible assets £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 January 2022 | 9,249 |
| Additions | <u>22,511</u> |
| At 31 December 2022 | <u>31,760</u> |
| AMORTISATION | |
| Charge for year | <u>6,176</u> |
| At 31 December 2022 | <u>6,176</u> |
| NET BOOK VALUE | |
| At 31 December 2022 | <u>25,584</u> |
| At 31 December 2021 | <u>9,249</u> |

5. TANGIBLE FIXED ASSETS

| | Office equipment £ |
|-----------------------|--------------------------|
| COST | |
| At 1 January 2022 | 10,062 |
| Additions | <u>1,928</u> |
| At 31 December 2022 | <u>11,990</u> |
| DEPRECIATION | |
| At 1 January 2022 | 6,034 |
| Charge for year | <u>2,201</u> |
| At 31 December 2022 | <u>8,235</u> |
| NET BOOK VALUE | |
| At 31 December 2022 | <u>3,755</u> |
| At 31 December 2021 | <u>4,028</u> |

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Trade debtors | 141,293 | 90,852 |
| Prepayments and accrued income | <u>28,057</u> | <u>81,487</u> |
| | <u>169,350</u> | <u>172,339</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. CURRENT ASSET INVESTMENTS

| | 2022 | 2021 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Term deposit accounts | <u>145,962</u> | <u>102,917</u> |

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 | 2021 |
|------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 5,069 | 5,172 |
| Tax | 1,766 | 675 |
| VAT | 2,173 | 13,161 |
| Other creditors | 55,303 | 56,058 |
| Accruals and deferred income | <u>422,967</u> | <u>428,212</u> |
| | <u>487,278</u> | <u>503,278</u> |

9. RESERVES

Emergency fund

The emergency fund is held as a contingency against the occurrence of a significant event that would lead to a significant loss of income. It is there to ensure the continuance of the Association and ensure that the Association has sufficient funds to meet its obligations to its members and third parties. The management committee monitor the level of funds held and have to sanction any increase in the fund or use of funds in the event of them being needed.

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Auditors' Report was unqualified.

Michaela Johns (Senior Statutory Auditor)
for and on behalf of Hopper Williams & Bell Limited

11. OTHER FINANCIAL COMMITMENTS

At the balance sheet date the Association had future contractual commitments relating to the provision of administration services of £39,675 (2021: £37,080).

12. RELATED PARTY DISCLOSURES

From time to time the Association benefits from room hire and speakers from various member firms that may be at a figure lower than the market rate. The benefit derived from these hires and speaker expenses, is not considered to be material to either party.

13. COMPANY STATUS

The Association is a private company limited by guarantee 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 Association in the event of liquidation. The number of members during the year was 5,984 (2021: 5,749).

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.