

Registered number: 06712409

**CILEX REGULATION LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**CILEX REGULATION LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	P Bligh-Cheesman I Chivers L Fulci A R Donovan D E Gilbertson H Sandercock J S Younger
<b>Company secretary</b>	H Whiteman
<b>Registered number</b>	06712409
<b>Registered office</b>	Kempston Manor Kempston Bedford Bedfordshire MK42 7AB
<b>Independent auditors</b>	Moore Stephens LLP Chartered Accountants & Statutory Auditor 150 Aldersgate Street London EC1A 4AB

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**CILEX REGULATION LIMITED**

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**CILEX REGULATION LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their report and the financial statements for the year ended 31 December 2016.

**Principal activity**

The principal activity of the Company throughout the period was to perform duties as the independent regulator of members of The Chartered Institute of Legal Executives.

**Directors**

The directors who served during the year were:

P Bligh-Cheesman  
I Chivers  
L Fulci  
A R Donovan  
D E Gilbertson  
H Sandercock  
J S Younger

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



H Whiteman  
Secretary

Date: 27.04.17.

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**CILEX REGULATION LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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 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.

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## CILEX REGULATION LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CILEX REGULATION LIMITED

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We have audited the financial statements of CILEx Regulation Limited for the year ended 31 December 2016, set out on pages 5 to 11. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' 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 Auditors**

As explained more fully in the Directors' Responsibilities Statement on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements and this report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CILEX REGULATION LIMITED  
(CONTINUED)

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Simon Fowles (Senior Statutory Auditor)

for and on behalf of  
**Moore Stephens LLP**

Chartered Accountants  
Statutory Auditor

150 Aldersgate Street  
London  
EC1A 4AB

Date: 5 Jun 2017

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**CILEX REGULATION LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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	Note	2016 £	2015 £
Turnover		1,233,857	989,054
Cost of sales		(344,248)	(480,017)
<b>Gross profit</b>		<b>889,609</b>	<b>509,037</b>
Administrative expenses		(968,563)	(1,023,947)
Contribution from CILEx	5	78,954	514,910
<b>Operating profit</b>	6	<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>-</b>	<b>-</b>

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 7 to 11 form part of these financial statements.



**CILEX REGULATION LIMITED**  
**REGISTERED NUMBER: 06712409**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note		2016 £		2015 £
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	115,630		1	
Cash at bank and in hand		23		-	
		115,653		1	
Creditors: amounts falling due within one year	9	(115,652)		-	
<b>Net current assets</b>			<b>1</b>		<b>1</b>
			<b>1</b>		<b>1</b>
<b>Net assets</b>			<b>1</b>		<b>1</b>
<b>Capital and reserves</b>					
Called up share capital	10		1		1
			1		1
			1		1

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
 J S Younger  
 Director

Date: 27/4/17

The notes on pages 7 to 11 form part of these financial statements.

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## CILEX REGULATION LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which the transactions of the Company are denominated. They comprise the financial statements of the Company for the year ended 31 December 2016.

The principal activity of the Company throughout the period was to perform duties as the independent regulator of members of The Chartered Institute of Legal Executives.

The Company is a United Kingdom company limited by shares. It is both incorporated and domiciled in England and Wales. The principal place of business and registered office address is Kempston Manor, Kempston, Bedford, Bedfordshire, MK42 7AB.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 101 is given in note 14.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

##### First time application of FRS 101

In the current year the Company has adopted FRS 101. In previous years the financial statements were prepared in accordance with International Reporting Standards (IFRSs) as endorsed for use with European Union.

This change in the basis of preparation has not materially altered the recognition and measurement requirements previously applied in accordance with EU endorsed IFRS. Consequently the principal accounting policies are unchanged from the prior year. The change in basis of preparation has enabled the Company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, which are summarised below.

There have been no other material amendments to the disclosure requirements previously applied in accordance with EU endorsed IFRS.

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.2 Financial reporting standard 101 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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.

**2.4 Debtors**

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

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.5 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.

**2.6 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire.

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**CILEX REGULATION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. Accounting policies (continued)**

**2.7 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.8 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

When preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the information of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the company's transaction streams and year-end financial position, the Directors consider there to be no critical judgements, estimates and assumptions used in the preparation of these financial statements.

**4. Turnover**

All turnover arose within the United Kingdom.

**5. Other operating income**

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Contribution from The Chartered Institute of Legal Executives	<b>78,954</b>	<i>514,910</i>

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**CILEX REGULATION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**6. Operating profit**

The operating profit is stated after charging:

	2016 £	2015 £
Auditor's remuneration - audit services	5,500	8,547
Defined contribution pension cost	65,055	49,433
	<u>65,055</u>	<u>49,433</u>

**7. Directors' remuneration**

	2016 £	2015 £
Directors' emoluments	95,004	131,642
	<u>95,004</u>	<u>131,642</u>

The directors are considered to be key management personnel.

**8. Debtors**

	2016 £	2015 £
Amounts owed by group undertakings	105,846	1
Prepayments and accrued income	9,784	-
	<u>115,630</u>	<u>1</u>

**9. Creditors: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	4,868	-
Other creditors	32,537	-
Accruals and deferred income	78,247	-
	<u>115,652</u>	<u>-</u>

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**CILEX REGULATION LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**10. Share capital**

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Authorised, allotted, called up and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

**11. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £65,055 (2015 - £49,433). Contributions totalling £nil (2015 - £nil) were payable to the fund at the reporting date.

**12. Commitments under operating leases**

The Company had no commitments under the non-cancellable operating leases as at the reporting date.

**13. Controlling party**

The Company is entirely owned by The Chartered Institute of Legal Executives (CILEx), a company incorporated in England and Wales by Royal Charter. The registered office address is Kempston Manor, Kempston, Bedford, Bedfordshire, MK42 7AB.

**14. First time adoption of FRS 101**

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.