



ANNUAL REVIEW 2020

CILEX (The Chartered Institute of Legal Executives)

Company Registration No. RC000850



ANNUAL REVIEW 2020

CONTENTS

Officers and professional advisers	03
Chair’s report	05
CEO report	07
Our membership in numbers	09
Our diverse membership	11
2020 in numbers	13
Report of the Board	17
Independent auditor’s report to the members of The Chartered Institute of Legal Executives	19
Group statement of comprehensive income	21
Company statement of comprehensive income	22
Group statement of changes in equity	23
Company statement of changes in equity	24
Group statement of financial position	25
Company statement of financial position	26
Group statement of cash flows	27
Company statement of cash flows	28
Notes to the financial statements	29
The CILEX Foundation	49

OFFICERS AND PROFESSIONAL ADVISERS

COMPANY REGISTRATION NUMBER

RC000850

BOARD OF DIRECTORS

- C Bones (Chair)
- C Tickner
- C Jepson
- M Foster
- J Dosanjh-Elton
- S Lee
- D Olulode
- A MacIver
- J Radford
- S Grewal

REGISTERED OFFICE

Kempston Manor
Kempston
Bedford
MK42 7AB

INDEPENDENT AUDITOR

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

OUR VISION

CILEX is a global leader and innovator within the legal sector, setting high professional and ethical standards and driving greater diversity in the profession for the benefit of society. CILEX-qualified professionals are valued for the rigour of their training, their practical skillset and their specialist expertise.

CHAIR'S REPORT

In my last annual report, I highlighted that our focus alongside good governance and sound financial results would be to deliver the new professional qualification and focus on efforts to address the final barriers to genuine equivalence.

The first stage of the launch of the new CILEX Professional Qualification (CPQ) was completed in 2020. This is a radical transformation from the old two-part structure (the awarding of Chartered Legal Fellow and then Practice Rights) that delivered a lawyer with the equivalent authorisation to that of a solicitor or barrister, to a streamlined qualification where the end product is not just a CILEX Lawyer (a new term to describe a CLE with Practice Rights) but also one with training in business, technology and personal skills that delivers a more rounded legal professional than the new SQE. Created with significant input from employers CPQ sits at the heart of our strategy for the development of the institute over the next five years.



CPQ has been championed by the Professional Board and is a genuinely member-led innovation that not only delivers an enhanced professional qualification but also for the first time creates a professional structure, career path and recognition for the c. 140,000 paralegals estimated to be working in the legal services sector. Their recognition and development is long overdue and we look forward to welcoming many of them into membership over the coming years.

CPQ puts the CILEX Law School (CLS) at the heart of delivery including an enhanced and extended programme of continuing professional development (CPD) activities as we build a much more significant set of member benefits and services. We will work with a smaller number of delivery partners and will establish a 'Higher Education' partnership where providers can offer direct entry into the profession, working in partnership with CLS. These changes are another sign of our confidence that CPQ will be a far stronger competitor to the traditional solicitor route for qualification as a lawyer.

2020 also saw the intensification of our engagement with government, regulators and lenders supported by a set of evidenced proposals that demonstrate the public benefit in the removal of the remaining barriers that prevent CILEX members from exercising their qualifications to the fullest possible extent. We held regular meetings around these proposals with government ministers, the LSB and other stakeholders. We joined forces with CRL on the issue of CRL-regulated entities being excluded from lender panels and we also began a much more active engagement with trade and national media in support of our proposals, adopting an active approach to putting across our arguments and being willing to be assertive where the evidence justifies our point of view.

In support, we invested in the development of a new external identity for our marketing communications. This new brand identity has been greeted with approval internally and externally and by the end of 2021 it will have been applied to every aspect of our external and internal engagements.

Much of this would not have been possible without the clarity of the leadership of Matthew Foster as your President for 2019/20. He and his Vice President Craig Tickner, supported by the Professional Board have been the champions for CPQ and their efforts in engaging members and employers have been reflected in the positive reaction in both groups. I want to thank Matthew for his outstanding contribution on behalf of our members.

We continued to maintain a focus on value for money of the new governance structure as we entered our third year, and this resulted in a 20% reduction in the number of Non-Executive Directors and simplification of our committee structure. The Appointments and Scrutiny Committee was revamped to include a scrutiny role to hold your Board to account between Annual General Meetings.

Finally, I want to focus on the exceptional contribution made by Linda Ford and our staff team this year. At the same time as supporting delivery across a range of fronts we transitioned to an organisation working from home as a result of the government directive issued in March 2020. This required a remarkable effort, not just to ensure that all staff had access to the right equipment and appropriate health and safety guidance, but also had to learn new ways of working and collaboration that had never been used before. In any normal year this would have been a huge undertaking. To do so in 2020, and alongside this deliver a reorganisation and a strong set of financial results, is nothing short of remarkable.

In 2021 your Board will continue to drive forward with CPQ and other changes that build and enhance the reputation and value of being a CILEX Lawyer or CILEX Paralegal alongside our continuing focus on sound finances and good governance.

C Bones
Chair

CEO REPORT

2020 has seen CILEX consolidate its business operations into a more streamlined structure able to deliver member services that are more integrated, responsive and tailored to individual preferences.

Previous investment in our business systems has allowed us to achieve increased efficiency resulting in a reduction in operating costs and continuity of service delivered remotely during the pandemic.

This year we launched our fresh new brand which better reflects our modern, diverse and progressive approach and our new professional qualification establishes CILEX Lawyers and CILEX Paralegals as legal professionals capable of being at the forefront of legal service delivery.

Through our enhanced career development tools and training we have helped more members than ever access career opportunities from judicial appointment to running a CILEX entity.



In last years report I outlined our plans to develop a professional qualification that was 'our most ambitious project so far' and I am delighted to report that in December we announced details of our new qualification framework that offers a structured education pathway from paralegal to fully qualified lawyer with practice rights. Informed by the views of employers and members the CILEX Professional Qualification (CPQ) combines legal knowledge, practice experience, professionalism and ethics with business and technology skills to reflect the requirements of a modern lawyer.

Our membership grades have been better aligned to both the stages of qualification and role progression from paralegal, advanced paralegal to CILEX Lawyer. This will, we believe, help employers recognise CILEX members in their structures and create a clearer distinction between paralegals and CILEX Lawyers in the market. Our business development team has been working to establish relationships with a wide range of law firms, local authorities and employers of in-house legal teams to build awareness and understanding of the CILEX route. By educating industry on the credibility and benefits of our qualification we believe it will challenge the outdated attitudes and prejudices our members experience.

Through our charitable Foundation we have established a scholarship and bursary scheme that will support those from disadvantaged backgrounds or under-represented groups to access our education programmes. This year our Foundation supported more members than ever through our hardship fund, providing assistance for those struggling financially including support with the additional cost of equipment needed to sit exams remotely.

CILEX Law School continues to deliver outstanding distance learning and apprenticeship provision, enhancing our offer with improved digital content and course materials and preparing our new CPQ programmes.

Our membership services have benefited from our previous investment in CRM and our processes now support an integrated journey with the ability to tailor both our communications and services to member preferences.

Improving member engagement remains a priority for us and this year, whilst our ability to meet members in person has been limited, we have used our online platforms to engage with our special reference groups and to deliver a series of member webinars.

Whilst other branches of the legal professions fight to preserve their elitist traditions, CILEX is firmly focused on understanding and tackling the prejudices and barriers our members experience.

We are committed to a programme of reforms that will expose and prevent discriminatory behaviours and systematic barriers, and consequently widen access to legal careers and ultimately improve access to justice.

Our new qualification is part of a much bigger agenda, designed to enhance the standing of CILEX members as lawyers of equal status to solicitors, able to practice independently by virtue of holding practice rights and valued by employers as having gained a wider range of skills and enhanced practice experience throughout CILEX training.

This year we have also developed our Manifesto, setting out a clear policy agenda, establishing a set of policy aims designed to address the legislative barriers and outdated frameworks that stand in the way of CILEX Lawyers receiving parity of opportunity and recognition to solicitors. This Campaign for Change will be a key focus in 2021 when we will dedicate more resource to engage with government policy makers and politicians, to undertake research and data analysis to build a robust evidence base to underpin our asks.

We are clear that the changes we seek for our members and in the public interest are best achieved through a co-ordinated industry wide approach. With this in mind, a key focus this year has been to develop collaborative partnerships enabling a more joined up approach delivering targeted initiatives.

Our work with the Judicial Office and Judicial Diversity Forum has placed a spotlight on the lack of diversity within the judiciary and secured a commitment to facilitate schemes designed to enable more CILEX Lawyers to achieve judicial appointment. By increasing the number of places on our Judicial Development Programme we hope to be able to support more members in achieving this career aspiration.

None of these achievements would have been possible without the extraordinary efforts of my staff team who showed dedication and resilience in maintaining delivery of all of our operational services despite the challenges of working remotely and the competing demands of work and home life.

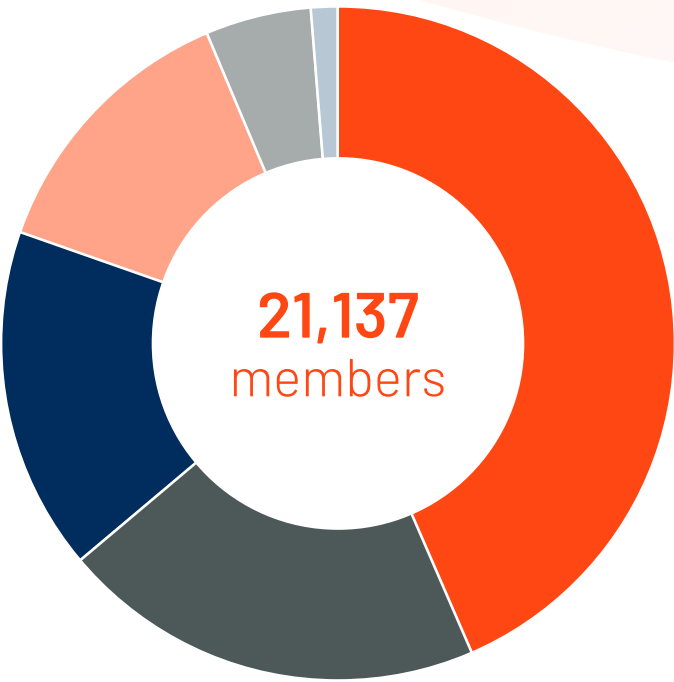
As we reflect on the progress made in 2020 against a backdrop of what has been an unpredictable and challenging year, we also look ahead with optimism and enthusiasm knowing that in 2021 we will start to see the external impact of our hard work and investment.

Linda Ford
Chief Executive Officer

OUR MEMBERSHIP IN NUMBERS

For over **50 years** CILEX has been committed to broadening access to the legal profession by providing training and support for our members. Now, with over **21,000 members**, the career progression and personal development of our members has never been more important to us.

MEMBERSHIP OF THE INSTITUTE

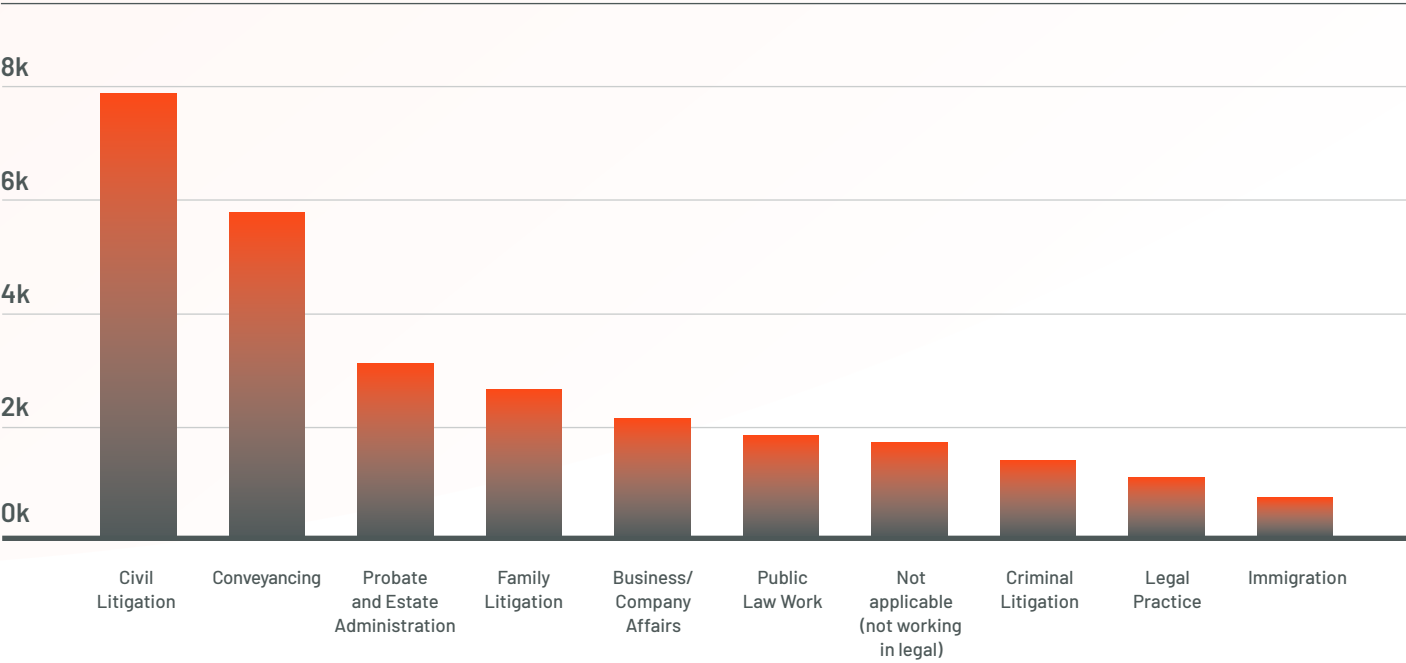


Key:

<div></div>	Fellow:	41%
<div></div>	Affiliate:	20%
<div></div>	Associate:	19%
<div></div>	Graduate:	16%
<div></div>	Student	3%
<div></div>	Other:	1%

TOP 10 SPECIALISMS

In 2020, CILEX welcomed 537 new Fellows. We continue to offer pathways to qualification in many different legal practice areas, to help all of our members pursue a career in law, in an area of their choosing.



As we continue to push for parity within the sector, we are delighted to celebrate the achievements of 18 CILEX Practitioners and 13 CILEX Advocates who successfully achieved their status. Becoming a CILEX Practitioner or a CILEX Advocate means our members gain individual practice rights, or advocacy rights, so that they can practise without supervision in a regulated firm, in areas of practice that are typically restricted.

ACHIEVEMENTS

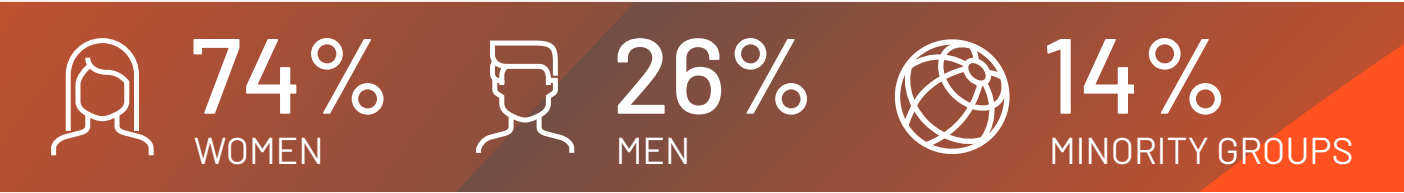
18 CILEX Practitioners

13 CILEX Advocates

OUR DIVERSE MEMBERSHIP

At CILEX we're committed to ensuring inclusion and diversity is at the centre of what we do and by celebrating and encouraging diverse voices across the legal sector, we know this adds value to the communities our members serve.

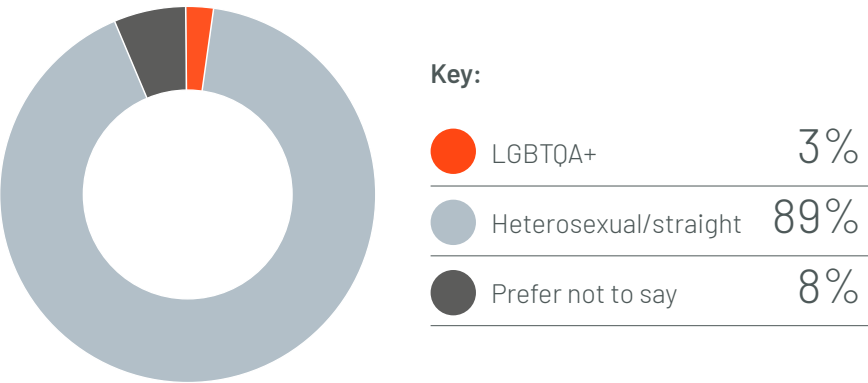
We continue to monitor and report data, and are proud to say 74% of our members are women, and around 14% of all our members are from Black, Asian or Minority Ethnic groups.



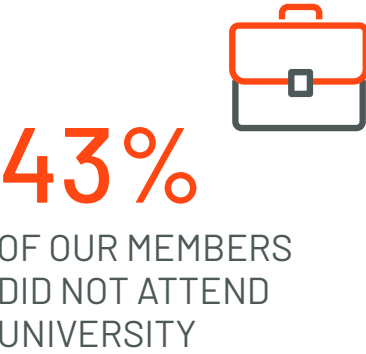
4% OF OUR MEMBERS CONSIDER THEMSELVES TO HAVE A DISABILITY

3% OF OUR MEMBERS ARE LGBTQA+

SEXUAL ORIENTATION

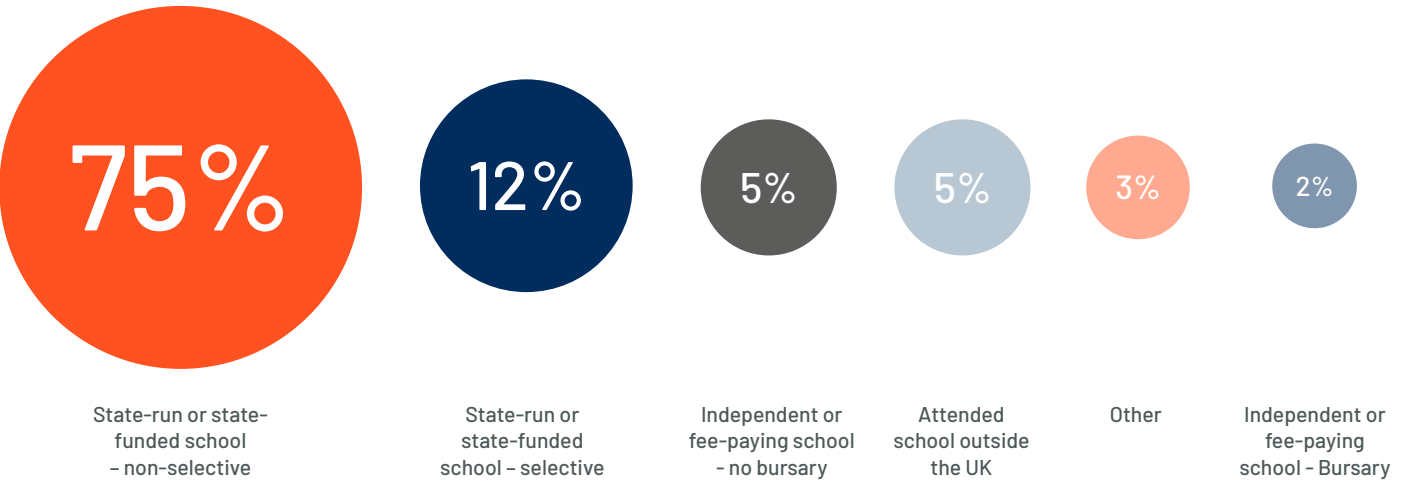


EDUCATION

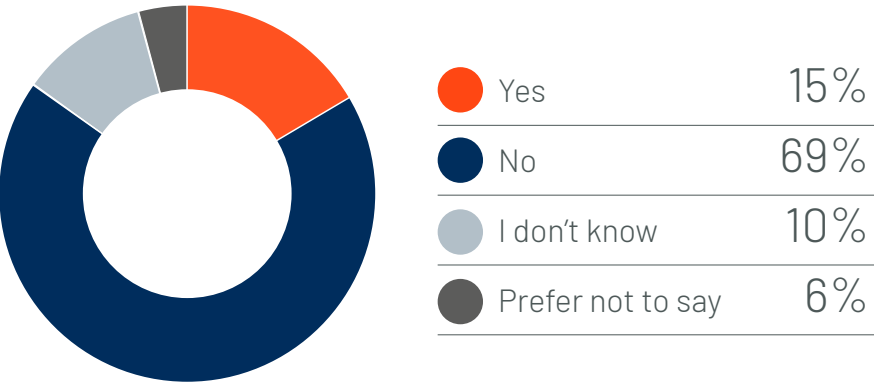


The CILEX route into a career in law is open to everyone with talent and the willingness to work hard and learn; it draws people from a wider social background than other parts of the legal profession. CILEX is unique in that it is open to all and doesn't require university attendance. 43% of our members did not attend university. Of our members who have attended university over half were the first in their families to do so.

THE MAJORITY OF OUR MEMBERS ATTENDED STATE FUNDED SCHOOLS



MEMBERS IN HOUSEHOLDS RECEIVING FREE SCHOOL MEALS



2020 IN NUMBERS



MEMBERS REGISTERED
FOR 11 DIGITAL EVENTS



8,922
members accessed
MyCareer, undertaking
58,215 ACTIVITIES



45
products and services
were accessed through
CILEX Rewards, launched
in November 2020



Over 7,500
calls answered by our
call centre in the last
quarter of 2020



10,797
messages received
through social media
platforms



7,902
exams and remotely
invigilated online
assessments were sat



654
APPRENTICES
LEARNING WITH
CILEX LAW SCHOOL



5,921
CILEX Law School
courses resulting in 4,917
assessments being sat



82,971
ENGAGEMENTS
ON SOCIAL MEDIA



PASS RATE
84% AT LEVEL 3
74% AT LEVEL 6



83%
of external policy
engagements came from
consultation responses



100+
mentions in national,
legal and trade press



1,848
members belonging to
Specialist Reference Groups

‘Since studying with CILEX I have been able to progress in a career that I love whilst developing my knowledge, skills and confidence. I could not recommend CILEX highly enough.’

- CILEX Member Feedback

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

—
FOR THE YEAR ENDED
31 DECEMBER 2020

—
'CILEX has clearly helped
me reach the position
I'm in today. I'd definitely
recommend CILEX to anyone
considering a career in law.'

— CILEX Member Feedback

REPORT OF THE BOARD

The Board presents their report and the financial statements of The Chartered Institute of Legal Executives and its subsidiaries (the “Group”) for the year ended 31 December 2020. The attached report and financial statements show the results of the activities for the year ended 31 December 2020 with comparative figures for the year ended 31 December 2019.

CONSTITUTION

The Chartered Institute of Legal Executives (“CILEX”, “the Institute” or “the Company”) is incorporated by Royal Charter and governed by the Charter and Bye-Laws which provide the internal organisation, constitution and conduct of the organisation. The Institute is the sole shareholder of two wholly-owned subsidiary companies, which deliver activities on behalf of the Institute.

MEMBERSHIP OF THE INSTITUTE

The voting members of the Institute are Fellows. A Fellow is a person admitted to membership of the Institute in accordance with the provisions of the Bye-Laws.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the Group during the year was that of being the professional association and governing body for Chartered Legal Executives, CILEX Lawyers, other legal practitioners and paralegals; the delivery of legal qualifications as an awarding body; education delivery; and the performance of duties as the independent regulator of its members and regulated entities.

During the year the CILEX Professional Qualification (‘CPQ’) the route to becoming a CILEX Paralegal, CILEX Advanced Paralegal or CILEX Lawyer was further developed ahead of launch in Summer 2021. This is a new qualification framework that has core legal knowledge and commercial awareness at its heart in support of CILEX’s aim to transform the provision of legal services and to satisfy changing employer needs.

The impact of COVID-19 on the Group, which was after the membership 2020 fee was payable, has been limited to some reduction in Awarding Body and Education activities that have been largely offset by a reduction in staff numbers and other cost efficiencies. A CJRS grant of £142k has been received under HM Government furlough scheme.

At 31 December 2020 all assets and liabilities of CILEX Law School Ltd, a wholly owned subsidiary of the Company – other than cash, trade receivables and trade payables – were transferred at book value (deemed fair value) to the Company.

The net surplus before tax for the Group for the year to 31 December 2020 is £181,650 (2019: £628,603)

The results for the year include the Group’s share of the running costs of the Legal Services Board (LSB) as required under the Legal Services Act 2007 totalling £149,657 (2019: £143,426).

The trading results for the year and the Group’s financial position at the end of the year are shown in the attached financial statements.

STATEMENT OF DIRECTORS’ RESPONSIBILITIES

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

The Institute is incorporated by Royal Charter and therefore is not subject to UK company law. The Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards and to have them audited. The Directors are required to ensure that financial statements are prepared for each financial year which give a true and fair view of the state of affairs and of its surplus or deficit for that period. In preparing those financial statements, the Directors, in accordance with best practice, are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- ensure that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Group will continue in business
- provide the external auditor with all information required in order for them to complete the audit.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with applicable regulations. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Group’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

- In so far as the Directors are aware:
- there is no relevant audit information of which the Group’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.

AUDITORS

Haysmacintyre LLP were appointed auditor of the Company by the Directors and will be seeking re-appointment at the Annual General Meeting.

Approved by the Board of Directors on 6 May 2021 and signed on its behalf by

C Bones
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LEGAL EXECUTIVES

OPINION

We have audited the financial statements of The Chartered Institute of Legal Executives for the year ended 31 December 2020 which comprise the Group and Company Statement of Comprehensive Income, Group and Company Statement of Changes in Equity, Group and Company Statement of Financial Position, Group and Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent's affairs as at 31 December 2020 and of the group's and the parent's result for the year then ended; and
- have been properly prepared in accordance with IFRS.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast

significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Reports of the Chair, the Chief Executive Officer and of the Board. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the group's and the parent's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group or the parent or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Legal Services Board, regulations in respect of data protection and employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as corporation tax, payroll tax and value-added tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions;
- Cut-off testing in respect of revenue; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

Our audit work has been undertaken so that we might state to the 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 Group or its members as a body, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Haysmacintyre LLP
Chartered Accountants and
Statutory Auditor

10 Queen Street Place,
London
EC4R 1AG
06 May 2021

GROUP STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 £	2019 £
Revenue		12,074,515	12,247,974
Direct costs		(1,953,413)	(2,584,101)
GROSS SURPLUS		10,121,102	9,663,873
Administrative expenses		(10,176,747)	(9,816,631)
Other operating income	5	506,101	150,667
Realised (losses)/gains on disposal of investments		(268,806)	630,694
SURPLUS BEFORE TAX	6	181,650	628,603
Taxation	7	(18,756)	(136,512)
SURPLUS FOR THE YEAR		162,894	492,091
OTHER COMPREHENSIVE INCOME			
Fair value gains/(losses) on investments		908,058	(25,411)
Deferred tax (charge)/credit on unrealised gains or losses		(177,966)	2,381
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		892,986	469,061

All the activities of the Group are classed as continuing.

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Notes	2020 £	2019 £
Revenue		4,791,260	5,453,148
Direct costs		(1,243,288)	(1,274,541)
GROSS SURPLUS		3,547,972	4,178,607
Administrative expenses		(3,778,856)	(4,409,122)
Other operating income	5	440,724	145,781
Realised (losses)/gains on disposal of investments		(268,806)	630,694
(DEFICIT)/SURPLUS BEFORE DIVIDENDS RECEIVED & TAX		(58,966)	545,960
Dividends received		-	128,793
(DEFICIT)/SURPLUS BEFORE TAX	6	(58,966)	674,753
Taxation		(12,383)	(106,405)
(DEFICIT)/SURPLUS FOR THE YEAR		(71,349)	568,348
OTHER COMPREHENSIVE INCOME			
Fair value gains/(losses) on investments		908,058	(25,411)
Deferred tax (charge)/credit on unrealised gains or losses		(177,966)	5,789
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		658,743	548,726

All the activities of the Company are classed as continuing.

GROUP STATEMENT OF CHANGES IN EQUITY

	Fair value reserve £	Revaluation reserve £	Retained funds £	Total equity £
Balance at 1 January 2019	260,382	812,335	7,374,203	8,446,920
Fair value losses on investments	(25,411)	-	-	(25,411)
Deferred tax credit on unrealised losses	2,381	-	-	2,381
Surplus for the year	-	-	492,091	492,091
Balance at 31 December 2019	237,352	812,335	7,866,294	8,915,981
Fair value gains on investments	908,058	-	-	908,058
Deferred tax charge on unrealised gains	(177,966)	-	-	(177,966)
Surplus for the year	-	-	162,894	162,894
Balance at 31 December 2020	967,444	812,335	8,029,188	9,808,967

COMPANY STATEMENT OF CHANGES IN EQUITY

	Fair value reserve £	Revaluation reserve £	Retained funds £	Total equity £
Balance at 1 January 2019	(176,174)	456,125	6,731,352	7,011,303
Fair value losses on investments	(25,411)	-	-	(25,411)
Deferred tax credit on unrealised losses	5,789	-	-	5,789
Surplus for the year	-	-	568,347	568,347
Balance at 31 December 2019	(195,796)	456,125	7,299,699	7,560,028
Fair value gains on investments	908,058	-	-	908,058
Deferred tax charge on unrealised gains	(177,966)	-	-	(177,966)
Deficit for the year	-	-	(71,349)	(71,349)
Balance at 31 December 2020	534,296	456,125	7,228,350	8,218,771

GROUP STATEMENT OF FINANCIAL POSITION

	Notes	2020 £	2019 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	2,780,834	3,009,919
Intangible assets	9	1,275,617	937,671
Other investments	11	6,935,052	6,048,665
		10,991,503	9,996,255
CURRENT ASSETS			
Trade and other receivables	14	1,696,898	324,661
Prepayments and accrued income		377,222	879,712
Cash and cash equivalents	15	489,883	808,611
		2,564,003	2,012,984
TOTAL ASSETS		13,555,506	12,009,239
EQUITY			
RESERVES			
Other reserves		1,779,779	1,049,687
Retained funds		8,029,188	7,866,294
TOTAL EQUITY		9,808,967	8,915,981
NON CURRENT LIABILITIES			
Deferred tax payables	16	211,166	69,319
Lease liability	18	113,045	170,727
CURRENT LIABILITIES			
Deferred income		1,648,905	1,348,529
Trade and other payables	17	1,773,423	1,504,683
		3,422,328	2,853,212
TOTAL EQUITY AND LIABILITIES		13,555,506	12,009,239

Approved and authorised for issue by the Board of Directors on 6 May 2021 and signed on its behalf by

 C Bones
Chair

Company registration number: RC000850

COMPANY STATEMENT OF FINANCIAL POSITION

	Notes	2020 £	2019 £
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	8	2,773,250	1,793,655
Intangible assets	9	1,275,617	883,334
Investments in subsidiaries at cost	10	620,400	620,400
Other investments	11	6,935,052	6,048,663
		11,604,319	9,346,052
CURRENT ASSETS			
Trade and other receivables	14	1,337,940	327,397
Prepayments and accrued income		342,681	434,915
Cash and cash equivalents	15	224,382	216,875
		1,905,003	979,187
TOTAL ASSETS		13,509,322	10,325,239
EQUITY			
RESERVES			
Other reserves		990,421	260,329
Retained funds		7,228,350	7,299,699
TOTAL EQUITY		8,218,771	7,560,028
NON CURRENT LIABILITIES			
Deferred tax payables	16	209,725	31,759
Lease liability		113,045	142,895
CURRENT LIABILITIES			
Deferred income		1,648,908	990,023
Trade and other payables	17	3,318,873	1,600,534
		4,967,781	2,590,557
TOTAL EQUITY AND LIABILITIES		13,509,322	10,325,239

Approved and authorised for issue by the Board of Directors on 6 May 2021 and signed on its behalf by

 C Bones
Chair

Company registration number: RC000850

GROUP STATEMENT
OF CASH FLOWS

	Notes	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus before tax		181,650	628,603
NON-CASH ADJUSTMENTS			
Depreciation		317,538	232,736
Amortisation of other intangible non-current assets		312,298	287,931
Investment income		(364,033)	(150,667)
Loss/(gain) on disposal of investments		268,806	(630,694)
Investment management fees deducted from the portfolio		28,860	34,360
Lease interest		20,160	14,158
NON-CASH ADJUSTMENTS		583,629	(212,176)
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL		765,279	416,427
CHANGES IN WORKING CAPITAL			
(Increase)/decrease in trade and other receivables		(1,372,237)	102,376
Decrease/(increase) in prepayments and accrued income		502,490	(497,225)
Decrease in trade and other payables excluding tax		(81,440)	(381,678)
Increase/(decrease) in deferred income		300,378	(1,087,998)
DECREASE IN WORKING CAPITAL		(650,809)	(1,864,525)
Tax paid		(118,788)	(32,371)
NET CASH FLOWS FROM OPERATING ACTIVITIES		(4,318)	(1,480,469)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment		(16,441)	(141,908)
Payments to acquire intangible assets		(650,244)	(799,805)
Payments to acquire available-for-sale investments		(1,263,886)	(7,116,364)
Proceeds from sale of available-for-sale investments		987,890	7,117,735
Interest received, classified as investing		756	5,088
Dividends received, classified as investing		363,277	145,579
NET CASH FLOWS FROM INVESTING ACTIVITIES		(578,648)	(789,675)
FINANCING ACTIVITIES			
Proceeds from borrowings		450,000	-
Lease rentals paid		(185,762)	(112,681)
NET CASHFLOWS FROM FINANCING ACTIVITIES		264,238	(112,681)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(318,728)	(2,382,825)
Cash and cash equivalents as at 1 January		808,611	3,191,436
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER		489,883	808,611

COMPANY STATEMENT
OF CASH FLOWS

	Notes	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
(Deficit)/surplus before tax		(58,966)	674,752
NON-CASH ADJUSTMENTS			
Depreciation		160,360	129,262
Amortisation of other intangible non-current assets		299,578	273,248
Investment income		(363,578)	(274,574)
Gain on disposal of investments		268,806	(630,694)
Lease interest		15,041	11,322
Investment management fees deducted from the portfolio		28,860	34,360
NON-CASH ADJUSTMENTS		409,067	(457,076)
CASH FLOWS BEFORE CHANGES IN WORKING CAPITAL		350,101	217,676
CHANGES IN WORKING CAPITAL			
(Increase)/decrease in trade and other receivables		(1,010,543)	295,221
Decrease/(increase) in prepayments and accrued income		92,235	(303,794)
Increase in trade and other payables excluding tax		256,134	371,213
Increase/(decrease) in deferred income		658,886	(1,189,459)
DECREASE IN WORKING CAPITAL		(3,288)	(826,819)
Tax paid		(118,788)	-
NET CASH FLOWS FROM OPERATING ACTIVITIES		228,025	(609,143)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment		(16,441)	(115,552)
Payments to acquire intangible assets		(650,244)	(760,909)
Payments to acquire available-for-sale investments		(1,263,886)	(7,116,364)
Proceeds from sale of available-for-sale investments		987,890	7,117,735
Interest received, classified as investing		299	202
Dividends received, classified as investing		363,277	274,372
NET CASH FLOWS FROM INVESTING ACTIVITIES		(579,105)	(600,516)
FINANCING ACTIVITIES			
Proceeds of new borrowings		450,000	-
Lease Rentals Paid		(91,413)	(81,181)
NET CASH FLOWS FROM FINANCING ACTIVITIES		358,587	(81,181)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		7,507	(1,290,840)
Cash and cash equivalents as at 1 January		216,875	1,507,715
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER		224,382	216,875

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS'S

The Institute is a body incorporated by Royal Charter. The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union. The financial statements are prepared under the historical cost convention as modified by the revaluation of investments.

There are no significant changes to the reporting framework followed by the Group for the year ended 31 December 2020.

Basis of consolidation

The consolidated group financial statements comprise the financial statements of the Chartered Institute of Legal Executives and its trading subsidiary undertakings as described in note 10. Subsidiaries are all entities over which the Group has the power to govern financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are fully consolidated from the date on which the Group takes control.

Where necessary, adjustments are made to the financial statements of the Institute and subsidiaries to bring the accounting policies used into line with those used by the Group. Inter-company transactions and balances between Group companies are eliminated.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors make estimates, assumptions and judgements concerning the carrying amount of assets and liabilities on a prudent basis and are satisfied with the accuracy of these estimates.

2. ACCOUNTING POLICIES

Revenue recognition

Subscriptions income is recognised in the period to which it relates and examination fee income is recognised when the examinations to which they relate take place.

Distance learning course revenue is recognised when the course is delivered.

Agency commission income is recognised on an arising basis in line with the agreements in place with the principal.

Apprenticeship income is recognised over the duration of the apprenticeship.

HMRC Coronavirus Job Retention Scheme ("CJRS") grant income is presented within other operating income and is recognised at the fair value of the grant receivable when there is reasonable assurance that the grant conditions are met and the grant will be received.

Interest and dividend income is accounted for on an arising basis.

All income is recognised net of value added tax.

Foreign currency exchange

Transactions in currencies other than the functional currency of the Group are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on that date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

2. ACCOUNTING POLICIES (continued)

Pension costs

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the income statement.

Taxation

Corporation tax arises on the Group's chargeable gains and investment income less any charitable donations by way of gift aid and trading profits. Provision is made for deferred taxation to the extent that material timing differences are expected to reverse in future periods. Deferred taxation is provided in full in respect of unrealised gains on investments.

Segmental reporting

A business segment is a group of assets and operations engaged in providing products and services that are subject to risks and returns that are different from those of other business segments.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses, except for long leasehold property, which is stated at valuation.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, on the following bases:

Freehold property	1% on cost
Fixtures and fittings	10% on cost
IT equipment	25% on cost

Investments

Investments are recognised at cost on the trade date and are restated on the reporting date at fair value. Unrealised gains and losses (including those arising on translation of investments denominated in foreign currencies) are recognised directly in fair value reserves until the investment is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in fair value reserves is included in net surplus or deficit for the period.

Investments in subsidiaries are stated at cost less any impairment deemed necessary.

Intangible assets

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of a business combination are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition.

The carrying value of intangible assets are reviewed for impairment on an annual basis for events or changes in circumstances that indicate that the carrying value may not be recoverable.

Intangible assets are stated at cost or fair value on recognition less accumulated amortisation and any impairment in value. Amortisation is calculated so as to write off the cost or valuation of intangible assets over their estimated useful lives, on the following bases:

Education products	10% on cost
Software	25% on cost
Business systems	33% on cost

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (continued)

Trade and other receivables

Trade and other receivables are recognised by the Group and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are identified as being unrecoverable.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less, but can be drawn upon at any time.

Deferred tax

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

Deferred tax liabilities are generally recognised for all material taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is charged or credited to the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis

Trade and other payables

Trade and other payables are not interest bearing and are stated at their nominal value.

Leased assets

CILEX adopted IFRS 16 from 1 January 2019. The Group applied the transition method. The amounts disclosed in the extracts are expressed in British pounds.

Assets held under operating leases are recognised as right-of-use assets of the Group at the present value of the lease payments. The corresponding liability is included in the balance sheet as a both a current and non-current lease liability. Lease payments are apportioned between finance charges at a rate of 5% and are charged to the Group Income statement. Rentals payable under operating leases are charged to the Group Statement of Comprehensive Income on a straight line basis over the term of the lease.

Other reserves

The other reserve relates to the fair value reserve which comprises the cumulative net change in the fair value of available-for-sale financial assets until the assets are derecognised or impaired.

3. SEGMENT INFORMATION – Year ended 31 December 2020

	Membership and Awarding Body	Regulation	Law School	Consolidation adjustments	Total
	£	£	£	£	£
Revenue – sales to external customers	4,791,260	1,794,649	5,488,606	-	12,074,515
Gross surplus	3,547,971	1,690,868	4,882,263	-	10,121,102
OTHER INCOME AND EXPENDITURE					
Depreciation	(160,361)	(5,408)	(151,770)	-	(317,539)
Amortisation	(299,578)	-	(12,720)	-	(312,298)
Lease interest	(15,041)	-	(5,119)	-	(20,160)
Other admin expenses	(3,303,873)	(1,416,332)	(4,806,543)	-	(9,526,748)
HMRC JRS grant	77,146	-	64,920	-	142,066
Investment income	363,576	-	457	-	364,033
Loss on disposal of investments	(268,806)	-	-	-	(268,806)
Taxation	(12,383)	(35,703)	29,330	-	(18,756)
Surplus/(deficit) for the year	(71,349)	233,425	818	-	162,894
ASSETS AND LIABILITIES					
Non-current assets	11,604,319	7,584	-	(620,400)	10,991,503
Current assets	1,905,003	463,615	1,990,130	(1,794,745)	2,564,003
Liabilities	(5,290,551)	(70,304)	(180,429)	1,794,745	(3,746,539)
Total equity	8,218,771	400,895	1,809,701	(620,400)	9,808,967

NOTES TO THE GROUP FINANCIAL STATEMENTS

3.

SEGMENT INFORMATION (continued) – Year ended 31 December 2019

	Membership and Awarding Body	Regulation	Law School	Consolidation adjustments	Total
	£	£	£	£	£
Revenue – sales to external customers	5,453,148	1,632,237	5,162,589	-	12,247,974
Gross surplus	4,178,606	1,352,786	4,132,481	-	9,663,873
OTHER INCOME AND EXPENDITURE					
Depreciation	(129,262)	(5,009)	(69,824)	-	(204,095)
Amortisation	(273,248)	-	(14,684)	-	(287,932)
Lease interest	(11,322)	(9,119)	-	-	(20,441)
Other admin expenses	(3,995,265)	(1,355,563)	(3,953,335)	-	(9,304,163)
Investment income	274,574	-	4,886	(128,793)	150,667
Gain on disposal of investments	630,694	-	-	-	630,694
Taxation	(106,405)	-	(30,107)	-	(136,512)
Surplus/(deficit) for the year	568,372	(16,905)	69,417	(128,793)	492,091
ASSETS AND LIABILITIES					
Non-current assets	9,346,052	12,992	1,211,859	(620,398)	9,950,505
Current assets	979,187	278,822	1,499,295	(744,321)	2,012,983
Liabilities	(2,765,211)	(124,348)	(902,269)	744,321	(3,047,507)
Total equity	7,560,028	167,466	1,808,885	(620,398)	8,915,981

4.

EMPLOYEE EXPENSES

	2020 £	2019 £
Wages and salaries	5,193,781	5,740,535
Social security costs	535,459	547,370
Post-employment expense for defined contribution plans	506,633	445,160
Other employee benefits	53,219	81,435
	6,289,092	6,814,500
The average monthly number of employees of the Group, including CRL, during the year was made up as follows:		
	2020 No.	2019 No.
Administration	176	188
Key management compensation		
	2020 £	2019 £
Wages and salaries	118,848	252,911
Post-employment benefits: Defined contribution	9,508	16,234
Social security costs	16,699	27,372
Benefits in kind	10,490	18,603
	155,545	315,120

NOTES TO THE GROUP FINANCIAL STATEMENTS

5. OTHER OPERATING INCOME

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Interest earned on investments	756	5,088	299	202
Dividends earned on investments	363,279	145,579	363,279	145,579
Dividends from subsidiary undertakings	-	-	-	128,793
HMRC JRS grant income	142,066	-	77,146	-
	506,101	150,667	440,724	274,574

6. SURPLUS/(DEFICIT) BEFORE TAX

Surplus/(deficit) before tax is stated after charging the following:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Depreciation of property, plant and equipment	317,538	232,736	160,361	129,262
Amortisation of software intangibles	312,298	287,931	299,578	273,248
Interest expenses on lease liabilities	20,160	23,276	15,041	11,322
Auditor's remuneration – audit services	38,000	36,065	20,120	19,090
Auditor's remuneration – tax compliance services	7,300	4,722	4,000	2,095

7. TAXATION

Components of taxation – Group

	2020 £	2019 £
Current tax expense		
Current tax expense	42,492	136,512
Under provision in the prior year	12,383	-
	54,875	136,512
Deferred tax expense		
Origination and reversal of temporary differences	131,994	2,381
Adjustments in respect of prior periods	1,520	-
Origination and reversal of temporary differences through OCI	8,333	-
	141,847	2,381
	196,722	138,893
Taxation for the year		

Reconciliation of tax expense to accounting profit – Group

Tax at the domestic income tax rate of 19.00% (2019: 19%)	34,513	143,910
Expenses not deductible for tax purposes	958,182	1,038,996
Non-taxable income	(904,186)	(1,094,648)
Deferred tax adjustments	(26,492)	496
Exempt ABGH distributions	(59,778)	(41,296)
Adjustment to tax charge in respect of prior periods	-	6,900
Capital gains less profit on sale of investments	174,201	84,359
Deferred tax assets not recognised	4,804	-
Tax losses not recognised	-	(779)
Tax effect of other tax rates	-	554
Other differences	3,095	401
Under provision in the prior year	12,383	-
	196,722	138,893

The majority of the Company's financial results relate to Membership activities which are not subject to corporation tax. Accordingly, the tax charge for the Company relates to its non-Membership trading activity and its realised investment activity.

NOTES TO THE GROUP FINANCIAL STATEMENTS

8.

PROPERTY, PLANT AND EQUIPMENT

GROUP – At 31 December 2020

	Freehold property £	Fixtures and fittings £	IT equipment £	Right of use assets £	Total £
Cost					
At 1 January 2020	2,383,659	822,805	294,726	389,283	3,890,473
Additions	-	9,391	7,048	72,013	88,452
Disposals	-	-	-	(115,865)	(115,865)
At 31 December 2020	2,383,659	832,196	301,774	345,431	3,863,060
Depreciation					
At 1 January 2020	34,174	584,874	158,902	102,602	880,552
Charge for year	25,439	51,689	59,206	181,204	317,538
Eliminated on disposal	-	-	-	(115,865)	(115,865)
At 31 December 2020	59,613	636,563	218,108	167,941	1,082,225
Net book value					
At 1 January 2020	2,349,183	237,931	135,824	286,681	3,009,919
At 31 December 2020	2,324,046	195,633	83,666	177,490	2,780,835

8.

PROPERTY, PLANT AND EQUIPMENT (continued)

GROUP – At 31 December 2019

	Freehold property £	Fixtures and fittings £	IT equipment £	Right of use assets £	Total £
Cost					
At 1 January 2019	2,358,151	766,831	234,300	-	3,359,282
Additions	25,508	55,974	60,426	389,283	531,191
At 31 December 2019	2,383,659	822,805	294,726	389,283	3,890,473
Depreciation					
At 1 January 2019	8,756	533,818	105,244	-	647,818
Charge for year	25,418	51,056	53,658	102,602	232,734
Eliminated on disposal	34,174	584,874	158,902	102,602	880,552
Net book value					
At 1 January 2019	2,349,395	233,013	129,056	-	2,711,464
At 31 December 2019	2,349,183	237,931	135,824	286,681	3,009,919

NOTES TO THE GROUP
FINANCIAL STATEMENTS

8.
PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY – At 31 December 2020

	Freehold property	Fixtures and fittings	IT equipment	Right of use assets	Total
	£	£	£	£	£
Cost					
At 1 January 2020	1,408,910	395,519	159,956	314,892	2,279,277
Additions	-	9,391	7,050		16,441
Disposals	-	-	-	(60,911)	(60,911)
Transfers from subsidiary	974,748	427,286	113,140	91,449	1,606,623
At 31 December 2020	2,383,658	832,196	280,146	345,430	3,841,430
Depreciation					
At 1 January 2020	20,272	312,160	79,228	73,962	485,622
Charge for year	15,226	16,224	30,833	98,078	160,361
Eliminated on disposal	-	-	-	(60,911)	(60,911)
Transfers from subsidiary	24,116	308,179	94,002	56,811	483,108
At 31 December 2020	59,614	636,563	204,063	167,940	1,068,180
Net book value					
At 1 January 2020	1,388,638	83,359	80,728	240,930	1,793,655
At 31 December 2020	2,324,044	195,633	76,083	177,490	2,773,250

8.
PROPERTY, PLANT AND EQUIPMENT (continued)

COMPANY – At 31 December 2019

	Freehold property	Fixtures and fittings	IT equipment	Right of use assets	Total
	£	£	£	£	£
Cost					
At 1 January 2019	1,383,402	354,450	110,981	-	1,848,833
Additions	25,508	41,069	48,975	314,892	430,444
At 31 December 2019	1,408,910	395,519	159,956	314,892	2,279,277
Depreciation					
At 1 January 2019	5,065	296,750	54,545	-	356,360
Charge for year	15,207	15,410	24,683	73,962	129,262
At 31 December 2019	20,272	312,160	79,228	73,962	485,622
Net book value					
At 1 January 2019	1,378,337	57,700	56,436	-	1,492,473
At 31 December 2019	1,388,638	83,359	80,728	240,930	1,793,655

NOTES TO THE GROUP FINANCIAL STATEMENTS

9. INTANGIBLE ASSETS

Group – 31 December 2020

	Total £
Cost	
At 1 January 2020	1,612,095
Additions	650,244
At 31 December 2020	2,262,339
Amortisation	
At 1 January 2020	674,424
Charge for the year	312,298
At 31 December 2020	986,722
Carrying value	
At 1 January 2020	937,671
At 31 December 2020	1,275,617

Group – 31 December 2019

	Total £
Cost	
At 1 January 2019	812,290
Additions	799,805
At 31 December 2019	1,612,095
Amortisation	
At 1 January 2019	386,493
Charge for the year	287,931
At 31 December 2019	674,424
Carrying value	
At 1 January 2019	425,797
At 31 December 2019	937,671

9. INTANGIBLE ASSETS (continued)

Company – 31 December 2020

	Total £
Cost	
At 1 January 2020	1,168,132
Additions	650,244
Transfers from subsidiary	443,963
At 31 December 2020	2,262,339
Amortisation	
At 1 January 2020	284,798
Charge for the year	299,578
Transfers from subsidiary	402,346
At 31 December 2020	986,722
Carrying value	
At 1 January 2020	883,334
At 31 December 2020	1,275,617

Company – 31 December 2019

	Total £
Cost	
At 1 January 2019	407,223
Additions	760,909
At 31 December 2019	1,168,132
Amortisation	
At 1 January 2019	11,550
Charge for the year	273,248
At 31 December 2019	284,798
Carrying value	
At 1 January 2019	395,673
At 31 December 2019	883,334

NOTES TO THE GROUP FINANCIAL STATEMENTS

10. INVESTMENTS IN SUBSIDIARIES

	2020 £	2019 £
Cost at 1 January and 31 December	620,400	620,400
The Institute's investments in 100% of the ordinary share capital of unlisted companies incorporated in the United Kingdom at the year end comprise the following:		
Name	Principal activity	
CILEx Law School Limited	Education delivery	
CILEx Regulation Limited	Independent regulator of members of the Institute and regulated entities	

11. OTHER INVESTMENTS

	2020 £	2019 £
Market value		
At 1 January	6,048,663	5,479,112
Additions	1,425,441	6,728,134
Disposals	(987,890)	(7,117,735)
Realised gain on disposal	(268,806)	630,694
Unrealised gain/(loss) on changes in market value	908,058	(25,411)
Fees deducted from the portfolio	(34,632)	(34,360)
Movement in accrued interest	(1,575)	7,027
Increase in investment cash	(154,207)	381,202
At 31 December	6,935,052	6,048,663

Other investments are in respect of a pooled investment fund managed by Barclays Wealth. The investment is stated at its market value in the statement of financial position and any change in market value is reflected in the fair value reserve.

12. FINANCIAL RISK MANAGEMENT

Liquidity risk is managed in the short term by ensuring that there are available Group reserves to cover six months operating costs and in addition, that each subsidiary company holds a minimum of two months operating costs in cash as working capital reserves. This is in line with the Reserves policy. The Group has invested sums in a managed medium to long term investment portfolio in order to protect its cash reserves.

Foreign currency is not deemed a high risk area for the Group other than in Other investments denominated in foreign currency. Very few transactions take place in anything other than sterling.

The Group carries out regular and thorough budgeting to ensure that both short and long term liquidity risks are managed.

13. RELATED PARTY TRANSACTIONS

Trading activities

During the year the Institute received income from CILEX Law School Limited totalling £nil (2019: £4,810) in relation to expenditure the Institute had incurred on its behalf and later recharged at cost to them.

In addition, the Institute sold journal advertising and course books to CILEX Law School Limited totalling £nil (2019: £4,959). The Institute was charged £233,115 (2019: £596,192) by CILEX Law School Limited for expenditure it had incurred on the Institute's behalf, which was also recharged at cost.

At the year end, amounts due to CILEX Law School Limited totalled £1,559,137 (2019: £678,341 due from CILEX Law School Limited).

During the year the company paid expenses of £8,187 (2019: £31,522) on behalf of the CILEX Compensation Fund.

During the period, the Institute contributed to the operating costs of CILEx Regulation Limited totalling £5,005 (OPBAS) (2019: £5,000). Amount due to CILEx Regulation Limited at the year-end was £65,980 (2019: £65,980).

Reimbursement of expenditure

During the period the Institute reimbursed out of pocket expenses to Directors (previously Members of Council) in respect of travel and other necessary expenses incurred in performing their duties of £23,713 (2019: £52,746).

NOTES TO THE GROUP FINANCIAL STATEMENTS

14. TRADE AND OTHER RECEIVABLES

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade receivables	1,653,302	311,771	1,294,344	283,304
VAT	-	13,591	-	13,591
Other receivables	43,596	(701)	43,596	30,503
	1,696,898	324,661	1,337,940	327,397

Amounts receivable from trade customers are non-interest bearing and are generally on 30 – 45 day terms. The Directors consider that the carrying amount of these assets approximates their fair value.

15. CASH AND CASH EQUIVALENTS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash in hand	408	892	359	694
Cash at bank	489,475	807,719	224,023	216,181
	489,883	808,611	224,382	216,875

16. DEFERRED TAX

	Statement of financial position		Statement of total comprehensive income	
	2020 £	2019 £	2020 £	2019 £
Deferred tax liabilities				
Relating to depreciation	(1,441)	(40,258)	-	6,106
Relating to investments	(209,725)	(33,279)	(177,966)	(4,269)
Relating to pensions	-	4,218	-	(4,218)
	(211,166)	(69,319)	(177,966)	(2,381)

17. TRADE AND OTHER PAYABLES

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Payable to trade suppliers	97,033	177,276	63,688	88,189
Bank loan	450,000	-	450,000	-
Lease liability	96,511	120,033	96,511	102,138
Other payables	156,091	468,395	134,603	162,012
Social security and other taxes	20,822	168,140	(19,209)	120,659
Accruals	544,221	434,327	512,125	276,810
Corporation tax payable	42,491	136,512	-	106,405
VAT payable	366,254	-	284,943	-
Amounts owed to subsidiaries	-	-	1,796,212	744,321
	1,773,423	1,504,683	3,318,873	1,600,534

The Directors consider that the carrying amount of these assets approximates their fair value.

At 31 December 2020 £450,000 (2019: £nil) was drawn down for general corporate purposes on a secured facility from Barclays at an interest rate of 1.2% (1.1% + BoE Base Rate). This was fully repaid on 18 January 2021.

NOTES TO THE GROUP FINANCIAL STATEMENTS

18. LEASE LIABILITY

At 31 December the Group had outstanding commitments for future minimum lease payments under operating leases relating to motor vehicles and other equipment which fall due as follows:

	2020 £	2019 £
Less than one year	96,511	120,033
Later than one year but less than five years	113,045	170,727
	209,556	290,760



All photos posed by models

THE CILEX FOUNDATION

COMPANY INFORMATION

DIRECTORS

HHJ M Dight
L Ford (resigned 17 July 2020)
H Munro (resigned 17 July 2020)
R Stevens (resigned 17 July 2020)
A MacIver (appointed 17 July 2020)
D Olulode (appointed 17 July 2020)

REGISTRATION NUMBER

11995446

REGISTERED OFFICE

Kempston Manor
Kempston
Bedford
MK42 7AB

THE CILEX FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

DIRECTORS' RESPONSIBILITIES STATEMENT

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.

PRINCIPAL ACTIVITY

The CILEX Foundation is a registered charity (charity no. 1185862) offering charitable grants and support to members of the Chartered Institute of Legal Executives.

BUSINESS REVIEW

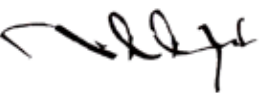
The CILEX Foundation will administer an academic support fund by way of scholarships, bursaries and grants. The CILEX Foundation will also provide hardship grants to qualifying members of The Chartered Institute of Legal Executives. The CILEX Foundation will also engage in the promotion of Pro Bono (voluntary) work amongst its members. The CILEX Foundation may support any other charitable cause which it feels furthers these charitable aims. These charitable activities will be funded by donations, both from The Chartered Institute of Legal Executives directly, and from other fundraising streams.

DIRECTORS

The directors who served during the year were:
His Hon Judge Marc Dight
Linda Ford (resigned 17 July 2020)
Helen Munro (resigned 17 July 2020)
Rachel Stevens (resigned 17 July 2020)
Angus MacIver (appointed 17 July 2020)
Doris Olulode (appointed 17 July 2020)

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 on 06 May 2021 and signed on its behalf.
His Hon Judge Marc David Dight
Director



THE CILEX FOUNDATION

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Turnover	191,715	4,410
Direct costs	(4,074)	(27,587)
Gross surplus	187,641	445,160
Administrative expenses	(8,646)	(307)
Operating surplus	178,995	(23,484)
Tax on surplus	-	-
Surplus for the financial year	178,995	(23,484)

There were no recognized gains and losses for 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	2020 £	2019 £
Current assets		
Debtors: amounts falling due within one year	442	-
Cash at bank and in hand	198,665	7,019
	199,107	7,019
Creditors: amounts falling due within one year	(43,596)	(30,503)
Net current assets	155,511	(23,484)
Total assets less current liabilities	155,511	(23,484)
Net Assets	155,511	(23,484)
Capital and reserves		
Profit and loss account	155,511	(23,484)
Total equity	155,511	(23,484)

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 on 06 May 2021.



His Hon Judge Marc David Dight
Director



Chartered Institute of Legal Executives (CILEX)
Kempton Manor, Kempton, Bedford, MK42 7AB
cilex.org.uk Tel: +44 (0)1234 841000