

Registration number: 01151132

# Insolvency Practitioners Association

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

# **Insolvency Practitioners Association**

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# **Insolvency Practitioners Association**

## **Company Information**

**Directors**

N A Bennett  
P Brazzill  
L Brittain  
C Clark  
P Davis  
J A Goschalk  
K J Hellard  
L E Hinton  
D Hyslop  
C A James  
S J Keen  
H Maddison  
M Moses  
N Myers  
J R Newgas  
S J Underwood

**Company secretary** M Thorp

**Registered office** Valiant House  
4-10 Heneage Lane  
London  
EC3A 5DQ

**Auditors** Bournier Bullock  
C/o Bournier Bullock Chartered Accountants  
Sovereign House  
212-224 Shaftesbury Avenue  
London  
WC2H 8HQ

## **Insolvency Practitioners Association**

### **Notice of Annual General Meeting**

Notice is hereby given that the forty fifth Annual General Meeting of the Insolvency Practitioners Association ("the Association") will be held at Insolvency Practitioners Association, Valiant House, 4 - 10 Heneage Lane, London, on 20th April 2020 at 12pm, for the following purposes:

1. To receive and adopt the Report of the Council and the Financial Statements of the Association for the year ended 31 December 2019.
2. To receive the result of the ballot for the election of members of the Council.
3. To re-appoint auditors.
4. To transact any other business, which may properly be transacted at an Annual General Meeting, including co-option of members to Council.

By order of the Council



P Davis

Valiant House  
4 - 10 Heneage Lane London  
EC3A 5DQ

A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and to speak and to vote instead of him. A proxy must be an individual member. Proxy forms are available from the Secretary on request and must be returned to the registered office (above) 48 hours before the meeting.

## **Insolvency Practitioners Association**

### **Report of the Council for the Year Ended 31 December 2019**

The Council members, who are also Directors for the purpose of company law, have pleasure in submitting its Report and the Financial Statements of the Association for the year ended 31 December 2019. This also represents the Directors' Report under the Companies Act 2006. Further details can be found in the Annual Members Report which can be found at <https://www.insolvency-practitioners.org.uk/>.

#### **Directors of the Company**

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

N A Bennett (appointed 1 May 2019)

P Brazzill (appointed 1 May 2019)

L Brittain (appointed 1 May 2019)

C Clark (appointed 1 May 2019)

P Davis

R E Duncan (resigned 30 April 2019)

J A Goschalk

K J Hellard

L E Hinton

D Hyslop

C A James

S J Keen

H Maddison (appointed 1 May 2019)

M Moses

N Myers

J R Newgas (appointed 1 May 2019)

S J Underwood

J Westerman (resigned 30 April 2019)

C G Wiseman (resigned 30 April 2019)

J S Wright (resigned 30 April 2019)

## **Insolvency Practitioners Association**

### **Report of the Council for the Year Ended 31 December 2019**

#### **Reappointment of auditors**

The auditors Bournier Bullock are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Small companies provision statement**

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

Approved by the Board on ..... and signed on its behalf by:



.....  
P Davis  
Director

## **Insolvency Practitioners Association**

### **Statement of Council Members' Responsibilities**

The Council members, who are also the directors for the purpose of company law, are responsible for preparing the report of the Council and the financial statements in accordance with applicable law and regulations.

Company law requires the Council members to prepare financial statements for each financial year. Under that law Council members 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 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Under company law the Council members 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 Association and of the surplus or deficit of the Association for that period. In preparing these financial statements the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures there from being disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in business.

The Council members are responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy at any time the financial position of the Association 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 Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Council members is aware at the time this report is approved:

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

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



## **Insolvency Practitioners Association**

### **Independent Auditor's Report to the Members of Insolvency Practitioners Association**

#### **Opinion**

We have audited the financial statements of Insolvency Practitioners Association (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit 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.

#### **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 Company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



## **Insolvency Practitioners Association**

### **Independent Auditor's Report to the Members of Insolvency Practitioners Association**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

#### **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 the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

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

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.

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic Report.

## **Insolvency Practitioners Association**

### **Independent Auditor's Report to the Members of Insolvency Practitioners Association**

#### **Responsibilities of directors**

As explained more fully in the Directors' report set out on page , 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 the directors 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 Company'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 Company 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Insolvency Practitioners Association**

### **Independent Auditor's Report to the Members of Insolvency Practitioners Association**

#### **Use of our report**

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....  
Russell Joseph (Senior Statutory Auditor)  
For and on behalf of Bournier Bullock, Statutory Auditor

C/o Bournier Bullock Chartered Accountants  
Sovereign House  
212-224 Shaftesbury Avenue  
London  
WC2H 8HQ

Date:.....

## Insolvency Practitioners Association

### Profit and Loss Account for the Year Ended 31 December 2019

	2019 £	2018 £
Turnover	2,945,653	2,379,332
Administrative expenses	(2,616,654)	(2,374,740)
Gains/ (loss) on investment	<u>59,768</u>	<u>(29,473)</u>
Operating surplus/(deficit)	<u>388,767</u>	<u>(24,881)</u>
Other interest receivable and similar income	6,481	8,712
Interest payable and similar expenses	<u>(13)</u>	<u>-</u>
	<u>6,468</u>	<u>8,712</u>
Surplus/(deficit) before tax	395,235	(16,169)
Taxation	<u>(10,664)</u>	<u>15,241</u>
Surplus/(deficit) for the financial year	<u><u>384,571</u></u>	<u><u>(928)</u></u>

The notes on pages 14 to 21 form an integral part of these financial statements.

## Insolvency Practitioners Association

### Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019 £	2018 £
Surplus/(deficit) for the year	<u>384,571</u>	<u>(928)</u>
Total comprehensive income for the year	<u><u>384,571</u></u>	<u><u>(928)</u></u>

The notes on pages 14 to 21 form an integral part of these financial statements.

# Insolvency Practitioners Association

(Registration number: 01151132)

## Balance Sheet as at 31 December 2019

		2019	(As restated) 31 December 2018
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	5	-	32,037
Tangible assets	6	16,998	33,179
Other financial assets	7	743,562	670,867
		<u>760,560</u>	<u>736,083</u>
<b>Current assets</b>			
Debtors	8	107,418	60,558
Cash at bank and in hand		2,699,477	2,508,655
		<u>2,806,895</u>	<u>2,569,213</u>
<b>Creditors: Amounts falling due within one year</b>	9	<u>(2,171,996)</u>	<u>(2,291,913)</u>
<b>Net current assets</b>		<u>634,899</u>	<u>277,300</u>
<b>Total assets less current liabilities</b>		1,395,459	1,013,383
<b>Creditors: Amounts falling due after more than one year</b>	9	<u>(21,533)</u>	<u>(24,028)</u>
<b>Net assets</b>		<u>1,373,926</u>	<u>989,355</u>
<b>Capital and reserves</b>			
Profit and loss account		<u>1,373,926</u>	<u>989,355</u>
<b>Total equity</b>		<u>1,373,926</u>	<u>989,355</u>

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

Approved and authorised by the Board on ..... and signed on its behalf by:

.....

P Davis  
Director

The notes on pages 14 to 21 form an integral part of these financial statements.



# Insolvency Practitioners Association

## Statement of Changes in Equity for the Year Ended 31 December 2019

	Profit and loss account £	Total £
At 1 January 2019	989,355	989,355
Surplus for the year	<u>384,571</u>	<u>384,571</u>
Total comprehensive income	<u>384,571</u>	<u>384,571</u>
At 31 December 2019	<u>1,373,926</u>	<u>1,373,926</u>
	Profit and loss account £	Total £
At 1 January 2018	990,283	990,283
Deficit for the year	<u>(928)</u>	<u>(928)</u>
Total comprehensive income	<u>(928)</u>	<u>(928)</u>
At 31 December 2018	<u>989,355</u>	<u>989,355</u>

The notes on pages 14 to 21 form an integral part of these financial statements.



# **Insolvency Practitioners Association**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **1 General information**

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

The address of its registered office is:

Valiant House  
4-10 Heneage Lane  
London  
EC3A 5DQ

### **Principal objects**

The Association is a Recognised Professional Body (RPB) under the Insolvency Act 1986 and empowered to grant and renew insolvency authorisations (licences). The principal objects of the Association are: to encourage the recruitment of a body of persons skilled in insolvency administration; to maintain and improve standards of performance and conduct of Insolvency Practitioners (IPs) and their staff; and to regulate and monitor its licensed IPs' practices and where appropriate to discipline those members who bring discredit upon themselves, the Association or the profession by way of misconduct.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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

#### **Statement of compliance**

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

#### **Basis of preparation**

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

#### **Going concern**

The financial statements have been prepared on a going concern basis. Council Members make every effort to ensure reserves held are at an appropriate level.

## **Insolvency Practitioners Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **Turnover recognition**

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

The Company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

#### **Subscriptions**

Annual memberships, which are due on 1 January, are included in income in the year to which the subscription relates. Any amounts received in advance are credited to prepaid subscriptions and fees.

#### **Disciplinary and Investigation Costs Recoveries**

Costs recovered from members subject to investigation or disciplinary action, are accounted for in the year in which they are due.

#### **Tax**

The Association is only liable to tax on its investment income and any profits earned from non-members.

#### **Tangible assets**

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

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

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as shown below. A full year's worth of depreciation is charged in the year in which the asset is purchased.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Computer equipment	3 to 10 years straight line
Furniture and fittings	3 to 5 years straight line

#### **Intangible assets**

Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate that the asset will generate probable future economic benefits and can be reliably measured.

## **Insolvency Practitioners Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **Amortisation**

Intangible assets are amortised on a straight line basis over their estimated useful lives at the rates shown below. A full year's worth of amortisation is charged in the year in which the asset is purchased.

<b>Asset class</b>	<b>Amortisation method and rate</b>
Computer software	3 to 10 years straight line
Website development and E-Learning development	3 years straight line

#### **Investments**

Fixed asset investments are revalued at market value at the balance sheet date on an individual basis. Gains and losses on revaluation are recognised in the Profit and Loss Account.

#### **Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Debtors**

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

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

Subscription debtors become due from 1 January when the subscription period commences.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. Cash held in investment portfolios which is not for the company's operational management is included within fixed asset investments.



## **Insolvency Practitioners Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **Creditors**

Basic financial liabilities, including trade and other creditors, loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

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

#### **Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Defined contribution pension obligation**

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

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

## Insolvency Practitioners Association

### Notes to the Financial Statements for the Year Ended 31 December 2019

#### 3 Significant judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. In the Directors' opinion, there are no significant judgements or key sources of estimation uncertainty.

#### 4 Staff numbers

The average number of persons employed by the company during the year was 27 (2018 - 25).

#### 5 Intangible assets

	Website and E-Learning development £	Computer software £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	26,465	69,484	95,949
Disposals	-	(69,484)	(69,484)
At 31 December 2019	26,465	-	26,465
<b>Amortisation</b>			
At 1 January 2019	25,753	38,159	63,912
Amortisation charge	712	-	712
Amortisation eliminated on disposals	-	(38,159)	(38,159)
At 31 December 2019	26,465	-	26,465
<b>Carrying amount</b>			
At 31 December 2019	-	-	-
At 31 December 2018	712	31,325	32,037

# Insolvency Practitioners Association

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 6 Tangible assets

	Computer equipment £	Fixtures and Fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2019	86,712	71,780	158,492
Additions	<u>3,262</u>	<u>699</u>	<u>3,961</u>
At 31 December 2019	<u>89,974</u>	<u>72,479</u>	<u>162,453</u>
<b>Depreciation</b>			
At 1 January 2019	74,139	51,174	125,313
Charge for the year	<u>8,003</u>	<u>12,139</u>	<u>20,142</u>
At 31 December 2019	<u>82,142</u>	<u>63,313</u>	<u>145,455</u>
<b>Carrying amount</b>			
At 31 December 2019	<u>7,832</u>	<u>9,166</u>	<u>16,998</u>
At 31 December 2018	<u>12,573</u>	<u>20,606</u>	<u>33,179</u>

### 7 Listed investments

	Financial assets at fair value through profit and loss £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 January 2019	623,502	623,502
Fair value adjustments	59,768	59,768
Additions	86,613	86,613
Disposals	<u>(71,167)</u>	<u>(71,167)</u>
At 31 December 2019	698,716	698,716
Cash	<u>44,846</u>	<u>44,846</u>
At 31 December 2019	<u>743,562</u>	<u>743,562</u>

# Insolvency Practitioners Association

## Notes to the Financial Statements for the Year Ended 31 December 2019

	2019		2018	
	Cost	Market value	Cost	Market value
	£	£	£	£
UK listed	324,548	374,391	316,192	347,460
Europe	22,980	31,890	22,980	27,283
Rest of world	225,513	292,435	212,368	248,759
	<u>573,041</u>	<u>698,716</u>	<u>551,540</u>	<u>623,502</u>

### 8 Debtors

		(As restated) 31 December
	2019	2018
	£	£
Trade debtors	37,060	8,957
Prepayments	48,582	43,701
Other debtors	<u>21,776</u>	<u>7,900</u>
	<u>107,418</u>	<u>60,558</u>

### 9 Creditors

#### Creditors: amounts falling due within one year

		(As restated) 31 December
	2019	2018
	£	£
<b>Due within one year</b>		
Trade creditors	60,303	60,151
Taxation and social security	50,002	60,524
Other creditors	<u>2,061,691</u>	<u>2,171,238</u>
	<u>2,171,996</u>	<u>2,291,913</u>

Other creditors include deferred income of £1,701,123 (2018: £1,769,331) relating to prepaid subscriptions and other fees.



## Insolvency Practitioners Association

### Notes to the Financial Statements for the Year Ended 31 December 2019

#### Creditors: amounts falling due after more than one year

	2019 £	2018 £
<b>Due after one year</b>		
Accruals and deferred income	<u>21,533</u>	<u>24,028</u>

#### 10 Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	63,910	66,395
Later than one year and not later than five years	<u>11,118</u>	<u>68,040</u>
	<u>75,028</u>	<u>134,435</u>

#### 11 Prior period restatement

In the previous period, trade debtors relating to subscription fees were recognised when the renewal letters were sent out in November. A corresponding amount was recognised in deferred income. Therefore all members to whom renewal reminders were sent were included in the trade debtors figure. If members have not paid by 31 March each year their subscription is cancelled and therefore the trade debtors balance was reviewed at 31 March to ensure only members who had paid their subscription fees after the year end were included in the trade debtors figure as at 31 December 2018.

In the current period, a different accounting policy was applied and so subscription fees were only recognised in deferred income when the member had paid. Therefore as at 31 December 2019 no amounts relating to subscriptions were included in the trade debtors figure. Due to this change in accounting policy the comparatives have been restated to reduce trade debtors and deferred income by £130,827 to reflect this change. Trade debtors have therefore decreased from £139,784 to £8,957 and deferred income has decreased from £1,900,158 to £1,769,331.