

COMPANY REGISTRATION NUMBER: NI028090
CHARITY REGISTRATION NUMBER: 107044

LAW CENTRE (N.I)
Company Limited by Guarantee
Financial Statements
31 March 2023

Finegan Gibson Ltd
Chartered accountants & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

LAW CENTRE (N.I)

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2023

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LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name LAW CENTRE (N.I)
Charity registration number 107044
Company registration number NI028090
Principal office and registered office Westgate House
2nd Floor, 2-4 Queen Street
Belfast
BT1 6ED

The trustees

M Anyadike-Danes
G Cox (Resigned 13 January 2023)
T Evans
E McGuinness (Appointed 13 January 2023)
(Served from 13 January 2023 to
4 July 2023)
P McMahan (Appointed 13 January 2023)
P Quirk
P Colton
J Donaghy
F Greene
L Hanna
M McGuigan

Company secretary Patrick Colton

Auditor Finegan Gibson Ltd
Chartered accountants & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Bankers Unity Trust Bank
9 Brindley Place
Birmingham
B1 2HB

LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Structure, governance and management

Key management personnel

Director	Ursula O'Hare
Director of Legal Services	Carmel Ferguson (interim) Tom Campbell (July 2022 - Dec 2022) Samantha Park (April 2023)
Director of Innovation & Engagement	Sarah Corrigan
Head of Finance & Business Services	Julie Wilkinson

Governing document

Law Centre NI is a company limited by guarantee and is governed by its Articles and Memorandum of Association dated June 1994. The Centre is a registered Charity with HMRC and the Northern Ireland Charity Commission.

Appointment of trustees

The Management Committee, who acts as the directors of the company, are elected by the Law Centre members and members may also be co-opted to ensure the Board benefits from a diverse range of relevant skills and experience. At 31st March 2023 the Committee had 10 members.

Trustee induction and training

Training and support to the Management Committee is organised as required. A register of gifts and interest is also maintained.

Arrangements for setting pay and remuneration of key management personnel

Pay for the senior staff team is set by the Management Committee in line with NJC scales.

Organisation structure and how the charity makes decisions

The Board meets at least 7 times per year to set the strategy for the organisation and to receive reports on the operational activity of the charity including financial reports. An Executive Working Group supports the Board in exercising its duties to ensure good governance. Trustees give of their time freely and no trustee received remuneration in the year. A Director (Chief Executive Officer) is appointed to manage the day-to-day business of the charity and reports to the Board.

Relationships with related parties

No trustee has benefited from their relationship with Law Centre NI.

Law Centre (NI) is a member of the Law Centre Network, a UK wide body of law centres.

Risk Management

The trustees maintain a risk register which examines the major risks that the organisation faces in its operations. There is a system to monitor and control these risks to mitigate any impact that they could have on the organisation. The sector as a whole and the not-for-profit legal sector in particular, is facing recruitment and retention challenges against the backdrop of the on-going challenges of the post-pandemic labour market shortages. Recruitment and retention remains the biggest risk to the organisation and is exacerbated by uncompetitive salary levels, particularly for specialist legal posts. There has been a welcome shift away from annualised funding grants but this is not yet universal across all funders.

LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Objectives and activities

The core objectives of Law Centre NI are:

(1) the relief of persons in necessitous circumstances resident or working in Northern Ireland by providing such persons with legal services or advice upon terms appropriate to their means;

(2) to advance the education of persons resident or working in Northern Ireland.

These objectives are primarily promoted through the delivery of a free and independent regional legal advice and assistance service to members of the public and on referral from advisers as well as legal representation in key areas of social welfare law: social security, employment law, asylum, immigration and trafficking law.

Other key objectives include:

- To progress complex and or strategic cases which make a wider strategic difference to those living in Northern Ireland;
- To influence and develop law, policy and practice in our areas of legal practice to achieve legal and policy outcomes across communities and to help change lives;
- To increase public awareness and understanding of law through accessible public legal information
- To promote excellence in the NI advice sector by supporting the sector with legal updates through training, adviser network convenings and quality assurance;
- To support advisers to deliver generalist advice services by providing practitioner information resources tailored to their work;
- To develop the social justice lawyers of the future, by providing clinical legal practice opportunities for students, legal advice apprenticeships and volunteers;
- To increase the public awareness of the organisation and the work we do so that people are aware of the Law Centre services as the regional law centre in NI.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Achievements and performance

Some of the key achievements this year were:

1. Provided legal help to 3,763 people in respect of their legal needs, representing clients in 516 cases and supported clients with casework assistance in a further 1,014 instances.
 2. Provided 27,421 pieces of advice to people living in Northern Ireland in respect of their legal entitlements.
 3. Secured financial outcomes for our clients in excess of £1.5 million.
 4. Concluded litigation in the public interest through the preliminary reference procedure before the Court of Justice of the European Union which has far-reaching impact for people across the UK in a case concerning whether the NHS is a provider of comprehensive sickness insurance for the purposes of EU law. The case has significant implications in respect of the substantive rights of EU citizens in the UK, as it clarifies that the UK government's interpretation of EU law was incorrect, with important consequences for individuals in NI and the UK.
 5. Continued to support the front-line advisers, the sector through the delivery of webinars, online training and information events across all our areas of legal work.
 6. Produced 58 accessible legal information resources for advisers and the public to inform them about changes to the law across our areas of work. We also delivered an extensive multi-lingual legal information project for a local Council.
 7. Had 9,500 users access our website and achieved 240,120 impressions across our entire social media platforms.
 8. Secured changes to law and policy that improve people's lives, including through relaunching the collaboration with the Cliff Edge Coalition to protect and extend welfare reform mitigations across NI. We secured changes to policy which protect the fundamental rights of individuals, including a number of changes to policy and practice that improved the implementation of the Ukraine Resettlement Scheme, Discretionary Waiver and overpayment practices and Bereavement Support. Other policy work has secured access to essential services and minimised the risk of homelessness, especially for people subject to immigration control.
 9. Secured the support from Justice Together Initiative to commence a new regional Immigration law project to build capacity within the community and voluntary sector in NI.
 10. Provided specialist legal help to Ukrainians who fled the war through a Ukraine Assistance Centre model so they could resettle in NI.
 11. Progressed the Pilotlight work as part of the Skills Collaboration to digitally transform our training services in response to the increased demand for these services across all our areas of legal specialism.
 12. Re-commenced our Clinical Law Programme with the School of Law, Queen's University Belfast, that provided opportunity to a final year cohort of law students to experience social justice law work.
 13. Commenced our new Justice First Fellowship legal apprentice with the support of The Legal Education Foundation to recruit to continue to build the next generation of social justice lawyers.
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LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

14. Completed a north-south partnership with the support of The Community Foundation NI along with Free Legal Advice Centres to share our collective learning from both jurisdictions about the future of legal services and access to justice challenges. This included strategic litigation and digital justice roundtables with a wide range of stakeholders.

Full details on all the work achieved by the Law Centre for the period 2022/23 is published in our Annual Impact Review.

Financial review

The Law Centre continues to be funded by departmental agencies and a number of philanthropic funders. This year departmental support accounts for 69% of total income and is funded through the Department for Communities, Department for Economy and The Executive Office.

Philanthropic funders account for 22% and includes support from The Oak Foundation, The Legal Education Foundation, AB Charitable Foundation and the Justice Together Initiative.

Self-generated income accounts for 9% of our income and is achieved through the delivery of services including training, conferences, membership and legal services.

A detailed view of the financial statements for the reporting period are set out across pages 15 - 29.

In summary, we are reporting a net surplus of £72,474 with a fund balance of £579,356 at 31st March 2023 (2022: £506,882). After transfers made in year the composite of this balance is unrestricted £328,502, restricted £158,539 and designated funds £92,315.

Funds generated from training continue to be ring-fenced in a designated fund to be used solely for the furtherance and development of training. This is in accordance with the requirements of current VAT legislation, to ensure that future training income continues to be exempt for VAT purposes. The total designated fund for training purposes is £56,442.

Reserves Policy and going concern

The Trustees recognise the need to ensure an appropriate level of reserves to safeguard the charity against any time lapse in funding and any further reduction to resources. The current policy aims to achieve a reserves target that represents at least 3 months operating costs. At the reporting date the 'free reserves' balance (unrestricted reserves less designated reserves less fixed assets) is £305,266. This represents 99% of our reserves target. The reserves policy is kept under review and is reviewed annually.

The Trustees have considered going concern in the preparation of these statements and identify no concerns.

LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

Plans for future periods

In this financial year, we appointed a new Director of Innovation & Engagement to drive forward our commitment to digitalisation and sectoral support including through more effective referral systems for our members and others across the sector in NI. The Centre's new Strategic Plan 2024-2028 has been developed following extensive engagement. This will guide the strategic development of our work over the next five years as we move towards celebrating our 50th anniversary.

We continue to develop our Clinical Law Programme with final-year law students from Queen's University Belfast Law School. This is a vital project in sustaining a pipeline of future social justice lawyers who will be the next generation of social welfare law providers in NI.

With a significant increase in the number of asylum seekers and refugees in NI, we will continue to respond by increasing our immigration legal service capacity and are grateful for the on-going support of The Oak Foundation, The Executive Office and the Justice Together Initiative in this period. In the forthcoming period, our Justice Together Immigration Project will build community-based capacity so that services continue to operate on a regional basis.

In line with outcome-based accountability models for public funding, we will progress our demonstration work of the impact and value of specialist legal services across communities in NI and will transform our training services by implementing the Pilotlight project. We will sustain our commitment to the core value of working in partnership with others.

We will continue to convene the Refugee & Asylum Forum as well as the emerging work to ensure that lived experience on refugee and asylum issues in NI is an integral part of policy development in NI. We will also continue to support the work of the Cliff Edge Coalition in its advocacy for an effective social security safety net in NI.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

LAW CENTRE (N.I)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

In preparing these financial statements, the trustees are required to:

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

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


Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 6 November 2023 and signed on behalf of the board of trustees by:

J Donaghy
Trustee



LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I)

Year ended 31 March 2023

Opinion

We have audited the financial statements of LAW CENTRE (N.I) (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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 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 charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I) (continued)

Year ended 31 March 2023

Other information

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

Opinions on other matters 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I) *(continued)*

Year ended 31 March 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I) *(continued)*

Year ended 31 March 2023

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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I) *(continued)*

Year ended 31 March 2023

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

LAW CENTRE (N.I)

Company Limited by Guarantee

Independent Auditor's Report to the Members of LAW CENTRE (N.I) *(continued)*

Year ended 31 March 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Dolan (Senior Statutory Auditor)

For and on behalf of
Finegan Gibson Ltd
Chartered accountants & statutory auditor
Causeway Tower
9 James Street South
Belfast
BT2 8DN

6 November 2023

LAW CENTRE (N.I)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	7,093	–	7,093	1,668
Charitable activities	6	41,936	1,054,324	1,096,260	832,004
Other trading activities	7	69,050	9,688	78,738	75,449
Investment income	8	1,387	–	1,387	63
Other income	9	3,529	–	3,529	3,000
Total income		<u>122,995</u>	<u>1,064,012</u>	<u>1,187,007</u>	<u>912,184</u>
Expenditure					
Expenditure on charitable activities	10,11	<u>125,560</u>	<u>988,973</u>	<u>1,114,533</u>	<u>959,629</u>
Total expenditure		<u>125,560</u>	<u>988,973</u>	<u>1,114,533</u>	<u>959,629</u>
Net income/(expenditure)		<u>(2,565)</u>	<u>75,039</u>	<u>72,474</u>	<u>(47,445)</u>
Transfers between funds		25,709	(25,709)	–	–
Net movement in funds		<u>23,144</u>	<u>49,330</u>	<u>72,474</u>	<u>(47,445)</u>
Reconciliation of funds					
Total funds brought forward		397,673	109,209	506,882	554,327
Total funds carried forward		<u>420,817</u>	<u>158,539</u>	<u>579,356</u>	<u>506,882</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 17 to 28 form part of these financial statements.

LAW CENTRE (N.I)


Company Limited by Guarantee

Statement of Financial Position

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	16	23,236	23,964
Current assets			
Debtors	17	259,167	214,967
Cash at bank and in hand		<u>417,265</u>	<u>392,817</u>
		676,432	607,784
Creditors: amounts falling due within one year	18	<u>120,312</u>	<u>124,866</u>
Net current assets		556,120	482,918
Total assets less current liabilities		579,356	506,882
Net assets		<u>579,356</u>	<u>506,882</u>
Funds of the charity			
Restricted funds		158,539	109,209
Unrestricted funds		<u>420,817</u>	<u>397,673</u>
Total charity funds	21	<u>579,356</u>	<u>506,882</u>

These financial statements were approved by the board of trustees and authorised for issue on 6 November 2023, and are signed on behalf of the board by:



J Donaghy
Trustee

The notes on pages 17 to 28 form part of these financial statements.

LAW CENTRE (N.I)

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net income/(expenditure)	72,474	(47,445)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	9,420	10,716
Other interest receivable and similar income	(1,387)	(63)
Accrued expenses/(income)	18,162	(2,031)
<i>Changes in:</i>		
Trade and other debtors	(44,200)	29,278
Trade and other creditors	(22,716)	(70,507)
Cash generated from operations	31,753	(80,052)
Interest received	1,387	63
Net cash from/(used in) operating activities	<u>33,140</u>	<u>(79,989)</u>
Cash flows from investing activities		
Purchase of tangible assets	(8,692)	—
Net cash used in investing activities	<u>(8,692)</u>	<u>—</u>
Net increase/(decrease) in cash and cash equivalents	24,448	(79,989)
Cash and cash equivalents at beginning of year	392,817	472,806
Cash and cash equivalents at end of year	<u>417,265</u>	<u>392,817</u>

The notes on pages 17 to 28 form part of these financial statements.

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is Westgate House, 2nd Floor, 2-4 Queen Street, Belfast, BT1 6ED.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computer Equipment	-	25% straight line
Fixtures and fittings	-	10% straight line
Office Equipment	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Law Centre (NI) is a private charitable company limited by guarantee incorporated in Northern Ireland. The registered office is Westgate House, 2nd Floor, 2-4 Queen Street, Belfast, BT1 6ED.

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	7,093	7,093	1,668	1,668

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Department for Communities	2,836	537,067	539,903
Department for the Economy	–	147,546	147,546
The Legal Education Foundation	–	37,033	37,033
Access to Justice	–	–	–
The Oak Foundation	–	144,419	144,419
The Executive Office	–	135,289	135,289
Belfast City Council	500	2,970	3,470
AB Charitable Trust	25,000	–	25,000
Community Foundation NI	–	–	–
Miscellaneous grants	13,600	–	13,600
Justice Together	–	50,000	50,000
	<u>41,936</u>	<u>1,054,324</u>	<u>1,096,260</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Department for Communities	2,000	462,857	464,857
Department for the Economy	–	143,861	143,861
The Legal Education Foundation	–	38,533	38,533
Access to Justice	31,265	–	31,265
The Oak Foundation	–	70,375	70,375
The Executive Office	–	38,090	38,090
Belfast City Council	–	11,880	11,880
AB Charitable Trust	20,000	–	20,000
Community Foundation NI	–	11,117	11,117
Miscellaneous grants	2,026	–	2,026
Justice Together	–	–	–
	<u>55,291</u>	<u>776,713</u>	<u>832,004</u>

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

7. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Fees from associate members	4,042	–	4,042
Fees from full members	2,250	–	2,250
Training fees	35,973	–	35,973
Legal costs received	26,785	–	26,785
Legal Support Project	–	9,688	9,688
	<u>69,050</u>	<u>9,688</u>	<u>78,738</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fees from associate members	4,444	–	4,444
Fees from full members	2,249	–	2,249
Training fees	48,230	–	48,230
Legal costs received	20,526	–	20,526
Legal Support Project	–	–	–
	<u>75,449</u>	<u>–</u>	<u>75,449</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank Interest receivable	<u>1,387</u>	<u>1,387</u>	<u>63</u>	<u>63</u>

9. Other Income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other Income	<u>3,529</u>	<u>3,529</u>	<u>3,000</u>	<u>3,000</u>

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2023

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Costs in furtherance of charitable activities	119,723	988,973	1,108,696
Support costs	5,837	–	5,837
	<u>125,560</u>	<u>988,973</u>	<u>1,114,533</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Costs in furtherance of charitable activities	143,490	811,690	955,180
Support costs	4,449	–	4,449
	<u>147,939</u>	<u>811,690</u>	<u>959,629</u>

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Costs in furtherance of charitable activities	1,108,696	–	1,108,696	955,180
Governance costs	–	5,837	5,837	4,449
	<u>1,108,696</u>	<u>5,837</u>	<u>1,114,533</u>	<u>959,629</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>9,420</u>	<u>10,716</u>

13. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>4,638</u>	<u>3,911</u>

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	719,011	640,456
Social security costs	63,901	54,091
Employer contributions to pension plans	43,110	16,343
	<u>826,022</u>	<u>710,890</u>

The average head count of employees during the year was 30 (2022: 25).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £203,133 (2022:£134,417).

15. Trustee remuneration and expenses

The Charity trustees were not paid or received any other benefits from employment with the Charity in the year (2022: £Nil). They were not reimbursed expenses during the year (2022: £Nil).

16. Tangible fixed assets

	Computer Equipment £	Fixtures and fittings £	Office Equipment £	Total £
Cost				
At 1 April 2022	50,890	42,407	3,435	96,732
Additions	3,048	5,644	-	8,692
Disposals	(1,284)	-	-	(1,284)
At 31 March 2023	<u>52,654</u>	<u>48,051</u>	<u>3,435</u>	<u>104,140</u>
Depreciation				
At 1 April 2022	31,050	40,559	1,159	72,768
Charge for the year	7,891	1,109	420	9,420
Disposals	(1,284)	-	-	(1,284)
At 31 March 2023	<u>37,657</u>	<u>41,668</u>	<u>1,579</u>	<u>80,904</u>
Carrying amount				
At 31 March 2023	<u>14,997</u>	<u>6,383</u>	<u>1,856</u>	<u>23,236</u>
At 31 March 2022	<u>19,840</u>	<u>1,848</u>	<u>2,276</u>	<u>23,964</u>

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

17. Debtors

	2023	2022
	£	£
Trade debtors	5,878	97,103
Prepayments and accrued income	28,415	19,202
Other debtors	224,874	98,662
	<u>259,167</u>	<u>214,967</u>

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	24,671	37,900
Accruals and deferred income	34,607	27,714
Social security and other taxes	22,831	16,960
Other creditors	38,203	42,292
	<u>120,312</u>	<u>124,866</u>

19. Deferred income

	2023	2022
	£	£
At 1 April 2022	14,864	83,509
Amount released to income	(13,814)	(83,509)
Amount deferred in year	2,545	14,864
At 31 March 2023	<u>3,595</u>	<u>14,864</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £43,110 (2022: £16,343).

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	284,856	88,297	(70,360)	25,709	328,502
Designated Fund - Capital assets	9,660	–	(4,586)	–	5,074
Designated - Training	62,444	34,698	(40,700)	–	56,442
Designated - Atlantic Philanthropies	40,713	–	(9,914)	–	30,799
	<u>397,673</u>	<u>122,995</u>	<u>(125,560)</u>	<u>25,709</u>	<u>420,817</u>

	At 1 April 2021	Income	Expenditure	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	287,757	87,241	(109,587)	19,445	284,856
Designated Fund - Capital assets	14,214	–	(4,554)	–	9,660
Designated - Training	54,156	48,230	(30,296)	(9,646)	62,444
Designated - Atlantic Philanthropies	44,215	–	(3,502)	–	40,713
	<u>400,342</u>	<u>135,471</u>	<u>(147,939)</u>	<u>9,799</u>	<u>397,673</u>

Restricted funds

	At 1 April 2022	Income	Expenditure	Transfers	At 31 March 2023
	£	£	£	£	£
Department for the Economy	–	147,546	(147,384)	–	162
Strategic Litigation	54,182	–	–	–	54,182
Department for Communities - RISP	–	381,880	(380,094)	(1,786)	–
Department for Communities - WRSP	–	114,376	(114,376)	–	–
Queens University Belfast	–	9,688	(7,243)	(2,445)	–
Department for Communities - SVPR	95	22,706	(21,970)	(663)	168

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

21. Analysis of charitable funds *(continued)*

The Legal Education Foundation - Law & Policy	11,974	–	–	–	11,974
The Oak Foundation	12,866	144,419	(129,410)	(300)	27,575
Refugee Action Group	–	–	–	–	–
Community Justice Fund	1,103	–	–	–	1,103
The Legal Education Foundation	6,762	37,033	(37,710)	(684)	5,401
Belfast City Council	11,880	2,970	(2,597)	(4,410)	7,843
The Executive Office - MEDF	–	55,289	(55,642)	353	–
Community Foundation - People on the Edges	6,139	–	(4,391)	(1,748)	–
Community Foundation NI - All Island Fund	4,208	–	(1,670)	(2,538)	–
Department for Communities - Website	–	18,105	(18,946)	841	–
The Executive Office - UAC	–	80,000	(67,078)	(12,329)	593
Justice Together	–	50,000	(462)	–	49,538
	<u>109,209</u>	<u>1,064,012</u>	<u>(988,973)</u>	<u>(25,709)</u>	<u>158,539</u>
	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Department for the Economy	527	143,861	(143,864)	(524)	–
Strategic Litigation	54,182	–	–	–	54,182
Department for Communities - RISP	–	312,382	(312,382)	–	–
Department for Communities - WRSP	–	116,621	(117,304)	683	–
Queens University Belfast	–	–	–	–	–
Department for Communities - SVPR	499	22,194	(22,598)	–	95
The Legal Education Foundation - Law & Policy	17,114	–	–	(5,140)	11,974

LAW CENTRE (N.I)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

21. Analysis of charitable funds *(continued)*

The Oak Foundation	68,445	70,375	(122,270)	(3,684)	12,866
Refugee Action Group	12,115	-	(10,071)	(2,044)	-
Community Justice Fund	1,103	-	-	-	1,103
The Legal Education Foundation	-	38,533	(31,771)	-	6,762
Belfast City Council	-	11,880	-	-	11,880
The Executive Office - MEDF	-	38,090	(39,000)	910	-
Community Foundation - People on the Edges	-	6,909	(770)	-	6,139
Community Foundation NI - All Island Fund	-	4,208	-	-	4,208
Department for Communities - Website	-	11,660	(11,660)	-	-
The Executive Office - UAC	-	-	-	-	-
Justice Together	-	-	-	-	-
	<u>153,985</u>	<u>776,713</u>	<u>(811,690)</u>	<u>(9,799)</u>	<u>109,209</u>

22. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	23,236	-	23,236
Current assets	492,566	183,866	676,432
Creditors less than 1 year	(94,985)	(25,327)	(120,312)
Net assets	<u>420,817</u>	<u>158,539</u>	<u>579,356</u>
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	23,964	-	23,964
Current assets	498,575	109,209	607,784
Creditors less than 1 year	(124,866)	-	(124,866)
Net assets	<u>397,673</u>	<u>109,209</u>	<u>506,882</u>

23. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	<u>392,817</u>	<u>24,448</u>	<u>417,265</u>