

CUMBRIA LAW CENTRE

England & Wales · Charity number 1004114

Details

Other names	CARLISLE COMMUNITY LAW CENTRE, COMMUNITY LAW CENTRE
Status	Registered
Legal form	Charitable company
Company number	02524320
Registered	1991-09-10
Register	View on the Charity Commission register

Contact

Address	8 Spencer Street Carlisle CA1 1BG
Phone	01228515129
Email	reception@cumbria-law.co.uk
Website	www.cumbrialawcentre.org.uk

Activities

Objects: I) TO RELIEVE POOR PERSONS RESIDENT IN THE BENEFIT AREA BY PROVIDING SUCH PERSONS WITH LEGAL SERVICES WHICH THEY COULD NOT OTHERWISE OBTAIN THROUGH LACK OF MEANSII) THE ADVANCEMENT OF EDUCATION AMONGST PERSONS RESIDENT OR WORKING IN THE BENEFIT AREAIII)THE ADVANCEMENT OF SUCH OTHER CHARITABLE PURPOSES AS ARE BENEFICIAL TO THE PERSONS RESIDENT OR WORKING IN THE BENEFIT AREA

Activities: Free legal advice and representation in Carlisle, Allerdale, Copeland and Barrow. (Future plan for Eden). We tackle poverty and oppression for those who cannot access help elsewhere. Telephone advice (01228 515 129) every weekday, and clinics throughout Cumbria. Specialists in Housing, Employment, Community Care, Welfare Benefits, Debt, Discrimination, Public law and Human Rights & Education.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Accommodation/housing, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** CITY OF CARLISLE AND THE SURROUNDING DISTRICT ADMINISTERED BY THE COUNCIL OF CARLISLE, ALLERDALE BOROUGH COUNCIL, COPELAND BOROUGH COUNCIL AND ANY OTHER PART OF CUMBRIA
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£538,488	£420,749	£383,885	10
2024-03-31	£517,212	£334,995	£266,146	9
2023-03-31	£332,984	£367,810	-	-
2022-03-31	£350,432	£359,737	-	-
2021-03-31	£387,884	£354,446	-	-

Trustees

Name	Role	Appointed
John Reginald Nicol	Chair	2022-11-16
Dr JOHN MASSON		2012-02-17
JOHN RICHARD HUNSTON		2013-02-27
Laura Elizabeth Rutherford		2018-01-25
Michelle Wright		2022-02-08
VIVIENNE ANNE LEWIS		

Accounts

Company registration number: 02524320
Charity registration number: 1004114

**CUMBRIA LAW CENTRE
STRATEGIC REPORT, TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

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**Cumbria Law Centre
Reference and Administrative Details
For The Year Ended 31 March 2025**

Trustees	Mrs Laura Rutherford Mr John Nicol Dr John Masson Mrs Vivienne Lewis Mr John Hunston Ms Michelle Wright
Charity Number	1004114
Company Number	02524320
Principal Address	8 Spencer Street Carlisle Cumbria CA1 1BG
Registered Office	8 Spencer Street Carlisle Cumbria CA1 1BG
Independent Examiner	Jonathan Miller FCA DChA Seavor (South Cumbria) Limited Chartered Accountants 12 The Office, Mardale Road Penrith Cumbria CA11 9EH
Bankers	Virgin Money 82 English Street Carlisle Cumbria CA3 8HP

Cumbria Law Centre
Company No. 02524320
Trustees' Report For The Year Ended 31 March 2025

The trustees present their report and the financial statements for the year ended 31 March 2025.

Objectives and Activities

Aims and Objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Law Centre is established for the following purposes:

(i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered.

(ii) the advancement of education amongst persons resident or working in the benefit area.

(iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

Strategies for achieving objectives

Cumbria Law Centre endeavours to service those who work or live in Cumbria, though funding across the country varies. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services.

We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.
- We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

Achievements and Performance

Review of activities

As ever, running Cumbria Law Centre remains a major challenge but recent years have been made a little bit easier due to the support and understanding of some significant funders. Cumberland Council remains a staunch supporter and funder and, along with Indigo Trust and Access to Justice Foundation, we have been able to finish two consecutive years with a small operating surplus and therefore restore to some extent the deficits of previous years. We have also been able to seek funds specifically to help with some essential improvements of the building and most of those were well underway or even finished by the time the financial year ended. They largely amounted to 'first aid' helping us to improve our working environment for staff and clients and also fixing some key problems like failing windows and floor joists. We have also managed some upgrade of IT systems, and this has helped us to prepare for more modern, 'paperless' ways of working which will make us more efficient and more data secure.

Our core work has been plentiful, and we have been at capacity in most areas of law throughout most of the year. But this has been a good year of development in terms of the staff team, our premises and the general funding picture.

Our performance against objectives:

Key aim - To sustain front line advice and casework services in housing, employment, welfare benefits, debt and any other areas for which funding is available.

Main objectives for the year were:

Service Delivery

1) Succeed in performing new Legal Aid housing contract covering general housing, early help and court duty - Fully achieved - both secured and all LAA audits passed.

2) Develop our funded housing work in complex cases including certificated work - Fully achieved - we have continued to develop complex and casework requiring specialist legal defences.

3) Develop delivery of employment law and potential for charging for services - charging review to be carried out by September 2024 - partly achieved - we have successfully developed some work in the area of settlement agreements.

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**Cumbria Law Centre
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Review of activities - continued

- 4) Retain our cooperation with Eden Housing Association concentrating on the most specialist advice** – not achieved – this excellent project finally came to an end but has helped thousands of clients to the tune of over £7million in vital financial gains in its lifetime.
- 5) Secure funding and being work on upgrades and redecoration of our building** – fully achieved - work began on building improvements toward the end of the financial year.
- 6) Continue to improve legal services in housing as well as developing supervisory and management options** – fully achieved.
- 7) Deliver housing law in a more county-wide way, including connecting people with specialist services in the south of the county** – partly achieved – we continue to offer services at Barrow court but there is always more to be done in supporting people in that area.
- 8) Ensure compliance with Lexcel Standards** - Fully achieved - an excellent report with no significant non-compliances and many areas of good practice was attained.

Finance/Funding

- 1) Set and achieve a budget that represents a surplus across the years 2024-2027** – Fully achieved so far.
- 2) Secure Lottery funding for building work and enhanced services or equivalent funding** – not achieved but this was because other funding became available and was more suitable for this project.
- 3) Secure continued funding from Cumberland and attempt to regain funding in Westmorland and Furness areas** - partly achieved – our support from Cumberland Council continues but we have yet to make progress with Westmorland and Furness.
- 4) Cash position at end of 2025 to be at least £200k including 3 months' operating costs in free reserves** – Fully achieved.
- 5) Bid for 'Improving Outcomes' grant** - Fully achieved and our bid was successful.
- 6) Achieve full cost recovery in all possible funding bids** – Fully achieved - evidenced by both our recent recruitment and simultaneous growth of reserves.

Governance

- 1) Support ManCo's development, governance work and recruitment – co-opt two new members to Manco before AGM in Nov 2024** – Fully achieved.
- 2) Manco strategic review** – Partly achieved during this period but further work is set to take place in November 2025.

Outreach

- 1) Further develop links and referral activity with local private practice** – partly achieved – our interaction with private practice continues to help clients address multiple and complex issues but a dearth of affordable family and immigration law in the county represent real challenges.
- 2) Develop initiative to promote the centre to the public and develop membership as a result** – Not achieved - other objectives took priority and since we have been at capacity in all areas of law, promotion to the public was not seen as urgently required.
- 3) Continue volunteer programs with students and individuals and explore further links with University of Cumbria** – Fully achieved – the volunteer programme goes from strength to strength with Cumbria and several other universities regularly bringing students to experience law Centre life.

In conclusion

The Centre continues to do all it can to excel in its core areas of housing, debt, welfare benefits and employment but also looks outward at how we might be able to better support clients in other developing issues. Meanwhile, we continue to develop our staff with our two newest recruits Gareth and Dan heading towards qualification as a solicitor and becoming a 3-year-qualified solicitor and legal aid supervisor respectively. Dan has also been on the future leadership development course funded through the Improving Outcomes Through Legal Advice fund (ILTA). This has been an excellent project so far and represents not only a great success in our fundraising but is also a wide-ranging project helping grantees to develop and strengthen their Centres as well as helping hundreds of new clients.

It has also been pleasing that we have managed to raise sufficient funds to begin a programme of improvements on our building and our IT infrastructure making the Centre a more pleasant place to be as well as improving our efficiency and readiness for the future.

We are also brining in new and energetic people to our Management Committee, and this should stand us in good stead for the year to follow.

Our casework services remain free to the client but of extremely high quality, passing Lexcel audits with flying colours as well as the various audits and reviews of the Legal Aid Agency. These represent no small achievement for an organisation of our size and funding.

Finally, as ever, we would like to thank those who have contributed to us financially during 2024/25, namely:

Cumberland Council
Access to Justice Foundation
The Legal Aid Agency
Indigo Trust

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**Cumbria Law Centre
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Review of activities - continued

We sincerely appreciate your help and understanding of our work and our needs, and we could not serve our community without your support.

As we do every year, we have also produced a small volume of case studies that go some way to describing the difficulties faced by our clients, our work in response and the help provided to us by our volunteers.

We really encourage you to read that in conjunction with this report and attached accounts to understand the human and legal aspects of our work better. It will be available electronically via our website and Facebook page from the date of our AGM or you can email petemoran@cumbria-law.org.uk to have a copy sent to you. The stories told in there are important and often very moving.

Financial Review

Reserves Policy

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months of the total unrestricted expenditure should be maintained. If the level of free reserves falls below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Principal Funding Sources

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation. In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

Principal Risk and Uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Material Investments Policy

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

Structure, Governance and Management

Governing Document

Cumbria Law Centre is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on the 20 July 1990. The Memorandum and Articles of Association comprise the governing document, as updated in November 2022.

Trustee Selection Methods

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

**Cumbria Law Centre
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Induction and Training of Trustees

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

Organisational Structure

There shall be no fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

Related Parties

There are none to declare.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

Trustees' indemnities

The charity has insurance that provides an indemnity for a trustee against any liability for negligence, default, breach of duty or breach of trust by them in relation to the charity.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Cumbria Law Centre 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statement unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at anytime the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Cumbria Law Centre
Trustees' Report (continued)
For The Year Ended 31 March 2025**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees' report was approved by the board of trustees and signed on its behalf by:

J R Nicol

Mr John Nicol

Trustee

11 November 2025

Cumbria Law Centre
Independent Examiner's Report to the Trustees of Cumbria Law Centre
For The Year Ended 31 March 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the charity trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Jonathan Miller FCA DChA
11 November 2025
SeavorChartered
Chartered Accountants
12 The Office, Mardale Road
Penrith
Cumbria
CA11 9EH

Cumbria Law Centre
Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

				2025	2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	610	-	610	189
Charitable activities:	4				
Legal Services		23,589	-	23,589	34,179
Grants		344,299	161,994	506,293	480,357
Investments	5	3,371	-	3,371	688
Other	6	4,625	-	4,625	1,799
		<u>376,494</u>	<u>161,994</u>	<u>538,488</u>	<u>517,212</u>
EXPENDITURE ON:					
Charitable activities:	8				
Legal Services		(258,925)	(161,824)	(420,749)	(334,995)
NET INCOME		<u>117,569</u>	<u>170</u>	<u>117,739</u>	<u>182,217</u>
NET MOVEMENT IN FUNDS		<u>117,569</u>	<u>170</u>	<u>117,739</u>	<u>182,217</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		<u>161,104</u>	<u>105,042</u>	<u>266,146</u>	<u>83,929</u>
TOTAL FUNDS CARRIED FORWARD	18	<u><u>278,673</u></u>	<u><u>105,212</u></u>	<u><u>383,885</u></u>	<u><u>266,146</u></u>

The notes on pages 12 to 21 form part of these financial statements.

Cumbria Law Centre
Comparative Statement of Financial Activities (including Income and Expenditure
Account)
For The Year Ended 31 March 2025

				2024
		Unrestricted	Restricted	Total
	Notes	funds	funds	funds
		£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	189	-	189
Charitable activities:	4			
Legal Services		34,179	-	34,179
Grants		297,664	182,693	480,357
Investments	5	688	-	688
Other	6	1,799	-	1,799
		<u>334,519</u>	<u>182,693</u>	<u>517,212</u>
EXPENDITURE ON:				
Charitable activities:	8			
Legal Services		(240,158)	(94,837)	(334,995)
NET INCOME/(EXPENDITURE)		<u>94,361</u>	<u>87,856</u>	<u>182,217</u>
NET MOVEMENT IN FUNDS		<u>94,361</u>	<u>87,856</u>	<u>182,217</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		<u>66,743</u>	<u>17,186</u>	<u>83,929</u>
TOTAL FUNDS CARRIED FORWARD	18	<u><u>161,104</u></u>	<u><u>105,042</u></u>	<u><u>266,146</u></u>

The notes on pages 12 to 21 form part of these financial statements.

**Cumbria Law Centre
Statement of Financial Position
As At 31 March 2025**

				2025	2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	14	8,579	-	8,579	9,768
		8,579	-	8,579	9,768
CURRENT ASSETS					
Debtors	15	12,302	-	12,302	9,672
Cash at bank and in hand		278,912	105,212	384,124	267,116
		291,214	105,212	396,426	276,788
Creditors: Amounts Falling Due Within One Year	16	(21,120)	-	(21,120)	(20,410)
NET CURRENT ASSETS (LIABILITIES)		270,094	105,212	375,306	256,378
TOTAL ASSETS LESS CURRENT LIABILITIES		278,673	105,212	383,885	266,146
NET ASSETS		278,673	105,212	383,885	266,146
FUNDS OF THE CHARITY					
Restricted Funds				105,212	105,042
Unrestricted Funds				278,673	161,104
TOTAL FUNDS	18			383,885	266,146

For the year ending 31 March 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

On behalf of the board

J R Nicol

Mr John Nicol

Trustee

11 November 2025

The notes on pages 12 to 21 form part of these financial statements.

Cumbria Law Centre
Statement of Cash Flows
For The Year Ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash generated from operations	1	113,637	175,838
Net cash generated from operating activities		<u>113,637</u>	<u>175,838</u>
Cash flows from investing activities			
Purchase of tangible assets		-	(2,314)
Interest received		3,371	688
Net cash generated from/(used in) investing activities		<u>3,371</u>	<u>(1,626)</u>
Increase in cash and cash equivalents		<u>117,008</u>	<u>174,212</u>
Cash and cash equivalents at beginning of year	2	<u>267,116</u>	<u>92,904</u>
Cash and cash equivalents at end of year	2	<u><u>384,124</u></u>	<u><u>267,116</u></u>

Cumbria Law Centre
Notes to the Statement of Cash Flows
For The Year Ended 31 March 2025

1. Reconciliation of income to cash generated from operations

	2025	2024
	£	£
Net income	117,739	182,217
<i>Adjustments for:</i>		
Interest income	(3,371)	(688)
Depreciation of tangible assets	1,189	2,012
<i>Movements in working capital:</i>		
Increase in trade and other debtors	(2,630)	(6,415)
Increase/(decrease) in trade and other creditors	710	(1,288)
Net cash generated from operations	<u>113,637</u>	<u>175,838</u>

2. Cash and cash equivalents

Cash and cash equivalents, as stated in the Statement of Cash Flows, relates to the following items in the Balance Sheet:

	2025	2024
	£	£
Cash at bank and in hand	<u>384,124</u>	<u>267,116</u>

3. Analysis of changes in net funds

	As at 1 April 2024	Cash flows	As at 31 March 2025
	£	£	£
Cash at bank and in hand	<u>267,116</u>	<u>117,008</u>	<u>384,124</u>

Cumbria Law Centre

Notes to the Financial Statements

For The Year Ended 31 March 2025

1. General Information

Cumbria Law Centre is a company limited by guarantee, incorporated in England & Wales, registered number 02524320 and registered charity number 1004114. The registered office is 8 Spencer Street, Carlisle, Cumbria, CA1 1BG.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: 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) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The charitable company is a Public Benefit Entity as defined by FRS 102.

2.2. Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.3. Incoming Resources

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4. Resources Expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5. Tangible Fixed Assets and Depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold	10% reducing balance
Property improvements	17% reducing balance
Fixtures & Fittings	20% reducing balance
Computer Equipment	20% straight line

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

2.6. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

2.7. Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8. Provisions and Contingencies

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.9. Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.10. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

3. Income from Donations and Legacies

	2025	2024
	Unrestricted	Unrestricted
	funds	funds
	£	£
Donations and gifts	610	189

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

4. Income from Charitable Activities

			2025
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Legal Services	23,589	-	23,589
Grants	344,299	161,994	506,293
	<u>367,888</u>	<u>161,994</u>	<u>529,882</u>
			2024
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Legal Services	34,179	-	34,179
Grants	297,664	182,693	480,357
	<u>331,843</u>	<u>182,693</u>	<u>514,536</u>

Grants, included above, are as follows:

			2025
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Cumberland Council	125,200	-	125,200
Eden Housing Association	-	-	-
The Indigo Trust	160,100	-	160,100
Access to Justice Foundation	53,999	161,994	215,993
Other grants	5,000	-	5,000
	<u>344,299</u>	<u>161,994</u>	<u>506,293</u>
			2024
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Cumberland Council	90,100	-	90,100
Eden Housing Association	-	25,000	25,000
The Indigo Trust	155,000	-	155,000
Access to Justice Foundation	52,564	157,693	210,257
Other grants	-	-	-
	<u>297,664</u>	<u>182,693</u>	<u>480,357</u>

5. Investment Income

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Bank interest receivable	<u>3,371</u>	<u>688</u>

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

6. Other Income

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Other income	4,625	1,799

7. Net Income/(Expenditure)

The net income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets - owned	1,188	2,013

8. Analysis of Expenditure

		2025
	Activities undertaken directly (see note 9)	Support costs (see note 10)
	£	£
Legal Services	355,105	65,644

		2024
	Activities undertaken directly (see note 9)	Support costs (see note 10)
	£	£
Legal Services	294,822	40,173

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

9. Direct Costs

	2025
	Legal
	Services
	£
Employee costs:	
Wages and salaries	291,416
Employers NI	22,662
Contribution to defined contribution pension schemes	14,571
Travel and subsistence expenses	2,426
Premises expenses:	
Premises costs	4,993
General administration:	
Equipment leasing	4,506
Legal and professional costs	10,422
Training expenses	2,921
Depreciation:	
Depreciation	1,188
	355,105
	355,105
	2024
	Legal
	Services
	£
Employee costs:	
Wages and salaries	244,009
Employers NI	17,710
Contribution to defined contribution pension schemes	12,208
Travel and subsistence expenses	2,440
Premises expenses:	
Premises costs	1,839
General administration:	
Equipment leasing	4,675
Legal and professional costs	7,329
Training expenses	2,599
Depreciation:	
Depreciation	2,013
	294,822
	294,822

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

10. Support Costs

	2025
	Legal
	Services
	£
Premises expenses:	
Light and heat	7,424
Repairs and maintenance	18,075
General administration:	
Computer software costs	4,941
Insurance	5,610
Printing, postage and stationery	7,891
Telephone	6,189
Accountancy fees	1,875
Legal fees	9,237
Bank charges	59
Sundry expenses	4,343
	65,644
	2024
	Legal
	Services
	£
Premises expenses:	
Light and heat	5,622
Repairs and maintenance	5,549
General administration:	
Computer software costs	5,793
Insurance	1,871
Printing, postage and stationery	5,248
Telephone	4,530
Accountancy fees	2,108
Legal fees	7,260
Bank charges	28
Sundry expenses	2,164
	40,173

11. Independent Examiner's Remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,625 (2024 - £1,550).

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

12. Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	291,416	244,009
Social security costs	22,662	17,710
Other pension costs	14,571	12,208
	<u>328,649</u>	<u>273,927</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

13. Average Number of Employees

Average number of employees during the year was as follows:

	2025	2024
Charitable staff	3	2
Support staff	7	7
	<u>10</u>	<u>9</u>

14. Tangible Assets

	Land & Property				
	Freehold	Property improvements	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
As at 1 April 2024	81,310	21,020	44,557	18,909	165,796
As at 31 March 2025	<u>81,310</u>	<u>21,020</u>	<u>44,557</u>	<u>18,909</u>	<u>165,796</u>
Depreciation					
As at 1 April 2024	75,702	20,651	43,254	16,421	156,028
Provided during the period	561	63	261	304	1,189
As at 31 March 2025	<u>76,263</u>	<u>20,714</u>	<u>43,515</u>	<u>16,725</u>	<u>157,217</u>
Net Book Value					
As at 31 March 2025	<u>5,047</u>	<u>306</u>	<u>1,042</u>	<u>2,184</u>	<u>8,579</u>
As at 1 April 2024	<u>5,608</u>	<u>369</u>	<u>1,303</u>	<u>2,488</u>	<u>9,768</u>

15. Debtors

	2025	2024
	£	£
Due within one year		
Prepayments and accrued income	4,032	3,678
Other debtors	8,270	5,994
	<u>12,302</u>	<u>9,672</u>

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

16. Creditors: Amounts Falling Due Within One Year

	2025	2024
	£	£
Trade creditors	9,260	8,676
Other creditors	3,688	3,688
Taxation and social security	6,297	6,496
Accruals and deferred income	1,875	1,550
	<u>21,120</u>	<u>20,410</u>

17. Pension Commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

During the year the charge to the statement of financial activities in respect of defined contribution schemes was £14,571 (2024: £12,208).

At the statement of financial position date contributions of £NIL were due to the fund.

18. Movement in Funds

	As at 1 April 2024	Income	Expenditure	As at 31 March 2025
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	161,104	376,494	(258,925)	278,673
Restricted funds				
Restricted	105,042	161,994	(161,824)	105,212
Total funds	<u>266,146</u>	<u>538,488</u>	<u>(420,749)</u>	<u>383,885</u>

	As at 1 April 2023	Income	Expenditure	As at 31 March 2024
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	66,743	334,519	(240,158)	161,104
Restricted funds				
Restricted	17,186	182,693	(94,837)	105,042
Total funds	<u>83,929</u>	<u>517,212</u>	<u>(334,995)</u>	<u>266,146</u>

19. Transactions with Trustees

None of the trustees received any remuneration or any other benefits from an employment with the charity or a related entity during the current or previous year.

No trustee expenses have been incurred.

20. Related Party Disclosures

There have been no related party transactions in the reporting period that require disclosure.

Cumbria Law Centre
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

21. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

Accounts

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

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CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees

V A Lewis
J Masson
J R Nicol, Chair
J Hunston, Treasurer
L E Rutherford
S Watson, Vice Chair (resigned 10 June 2024)
K Lockney (resigned 2 August 2023)
Michelle Wright

Company registered number
02524320

Charity registered number
1004114

Registered office
8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Accountants
Seavor (South Cumbria) Limited
The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers
Clydesdale Bank
82 English Street
Carlisle
Cumbria
CA3 8HP

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report together with the financial statements of the Cumbria Law Centre for the 1 April 2023 to 31 March 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Law Centre is established for the following purposes:

- (i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered
- (ii) the advancement of education amongst persons resident or working in the benefit area.
- (iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

Strategies for achieving objectives

Cumbria Law Centre endeavours to service those who work or live in Cumbria, though funding across the country varies. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services.

We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.

We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Review of activities

The running of the Law Centre continues to be a challenging task, one mirrored up and down the county in other centres and advice agencies. Whilst there is currently a growing need for specialist advice in the community, funding remains a key challenge but one into which we have put very considerable effort in the last year. We have had considerable success too and achieved a slightly more stable financial position as well as funding some vital new strands of work. We have achieved more than £1.1 million in financial benefits for some of the most vulnerable, socially isolated and economically poor people in our county. We have helped more than 200 individuals and families to avoid the impending loss of their home and taken more than 300 people from a position of poverty and hopelessness to a position of some financial security, offering them a certain amount of hope for the future. So far, we have maintained our funding relationship with the new Cumberland Council, retained our legal aid contracts and added to this new strands of funding through the Access to Justice Foundation, as well as adding to the team. This has been a good year in all ways, as you will see below.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Our performance against objectives:

Main objectives for the year were:

Service Delivery

- 1) Succeed in attaining new Legal Aid housing contract covering early help and court duty** – Fully achieved.
- 2) Secure new LA contract in general housing work** – Fully achieved.
- 3) Develop our funded housing work in complex cases including certificated work** – Fully achieved.
- 4) Develop delivery of employment law and potential for charging for services - charging review to be carried out by September 2023** – Achieved – our service was very effectively delivered and it was agreed that there is ongoing need for a free access employment advice for those on low incomes.
- 5) Retain our cooperation with Eden Housing Association concentrating on the most specialist advice** – Partly achieved – we have maintained a funded partnership but at a much smaller scale than before.
- 6) Secure funding and being work on upgrades and redecoration of our building** – Partly achieved – significant funding has been secured and some repairs undertaken but the main work on the inside of the building is likely to begin late in 2024.
- 7) Recruit to bolster legal services in housing as well as supervisory and management options** – Fully achieved – Dan Abel has provided both a new qualified solicitor as well as line management in the casework team. We have also recruited a new trainee solicitor, Gareth Morris.
- 8) Build on recruitment to deliver housing law in a more county-wide way, including connecting people with specialist services in the south of the county** – Partly achieved – we have certainly made progress and we continue to be the front line court service for the south of the county.
- 9) Ensure compliance with Lexcel Standards** - Fully achieved - one of our best ever Lexcel reports was achieved in February 2024.

Finance/Funding

- 1) Set and achieve a budget that represents a small surplus (£20k) across the years 2022-2024** – Fully achieved – in fact our surplus was well in excess of this can be seen in the following accounts.
- 2) Secure Lottery funding for building work and enhanced services or equivalent funding** – Partly achieved – some of our funds for building work have contributions from the Big Lottery but our main bid to BLF will now be in 2025.
- 3) Secure continued funding from Cumberland and attempt to regain funding in Westmorland and Furness areas** – Partly achieved – we have secured ongoing Cumberland funding but as yet have not regained funding from W&F Council.
- 4) Cash position at end of 2024 to be at least £150k including reserves** – Fully achieved.
- 5) Bid for 'Improving Outcomes' grant** - Fully achieved and our bid was successful.
- 6) Achieve full cost recovery in all possible funding bids** – Fully achieved.

Governance

Support ManCo's development, governance work and recruitment – co-opt two new members to Manco before AGM in Nov 2023 – Partly achieved – though this was not possible for the AGM in 2023, it has been done in advance of the 2024 AGM.

Manco strategic review – Partly achieved – some considerable work was done on aims, objectives and management and supervision structures of the centre.

Outreach

- 1) Further develop links and referral activity with local private practice** – Not achieved – whilst we maintain an excellent working relationship with the sector, we did not build further on that in any formal way. Instead, emphasis was placed on vital funding work and recruitment.
- 2) Develop initiative to promote the centre to the public and develop membership as a result** – Not achieved – but through our recruitment we will greatly improve our ability to develop social media work, a key element of such promotional initiatives.
- 3) Continue volunteer programs with students and individuals and explore further links with University** – Fully achieved – it has been another remarkable year for all of our volunteer programmes, mainly thanks to the excellent work of our volunteer coordinator, Fiona McCrum.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

In conclusion

The centre is currently very busy! Recent recruitment has brought new life and energy to the office and the staff group and the demand coming to our door and through the courts has also steadily risen. In addition, the volunteer activities are always oversubscribed, and always receive glowing feedback from participants. Of course, all of this requires a significant level of funding in order to keep a service running and to provide all of those varied volunteering experiences. That is a goal on we have concentrated in the last two years. The result as you will see is that we have generated a not-insignificant cash surplus this year, though it should be said that much of that money is forward-committed for work in 2024. However, we have, in recent times, been fortunate to be chosen by the Access to Justice Foundation as a grantee in two major schemes, the 'Improving Lives Through Advice' and 'Improving Outcomes Through Legal Services' funds. These projects bring together money from Ministry of Justice and Big Lottery and are administered and run by ATJF. They continue the work begun under the Community Justice Fund and our centre has been a very fortunate recipient of funds at almost every stage. The focus of the money is to help provide free advice to vulnerable people and, where possible to keep them out of the most sapping, worrying and indeed expensive stages of legal process. In short, it is an attempt to use legal advice to prevent serious social and economic consequences for those who can least afford them.

Through our court work under the Housing Loss Prevention Scheme, we have continued to provide expert 'on the day' representation to those facing possession and eviction proceedings and we partner with Citizens Advice Allerdale in the west of the county to cover all such sessions. This is a lifeline to so many who find themselves facing potential homelessness.

Our employment work, through Adrian Farley, continues to receive excellent feedback from clients and, at the time of writing, we are confident that we will be able to bolster this work with some legal aid-funded discrimination casework during 2025.

Our welfare benefits and debt work is delivered to 'walk in' clients and though a number of referral and partner projects, working with Eden Housing Association, the Youth Hub and many other partners to meet the complex needs of those service users. We can, as ever, be immensely proud of the work we have done in across all areas of law.

We have, as mentioned, been able to do all of this whilst also improving our cash position and our aim is to do so again in the year to March 2025. This will be a tough task but we are confident. However, we must work hard to find the next partnerships and fundable projects beyond that date and that search is already underway. Along with the incredible support from Access to Justice Foundation, we must also thank Indigo Trust for their enormous help over a number of years. Just when we thought an already generous grant was ending, we were delighted to receive further funding that took us through to the end of 2024. This has really been essential support and we sincerely appreciate their trust in us and their support, especially during challenging moments.

Finally, as ever, we would like to thank those who have contributed to us financially during 2023/24, namely:

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance (continued)

Cumberland Council
Access to Justice Foundation
The Legal Aid Agency
Access to Justice Foundation
Eden Housing Association

We sincerely appreciate your help and understanding of our work and our needs, and we could not serve our community without your support.

As we do every year, we have also produced a small volume of case studies that go some way to describing the difficulties faced by our clients, our work in response and the help provided to us by our volunteers.

We really encourage you to read that in conjunction with this report and attached accounts to understand the human and legal aspects of our work better. It will be available electronically via our website and Facebook page from the date of our AGM page or you can email petemoran@cumbria-law.org.uk to have a copy sent to you. The stories told in there are important and often very moving.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months of the total unrestricted expenditure should be maintained. If the level of free reserves falls below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

Principal funding

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation. In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

Material investments policy

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Structure, governance and management

Constitution

Cumbria Law Centre is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on the 20 July 1990. The Memorandum and Articles of Association comprise the governing document., as updated in November 2022.

Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

Organisational structure and decision-making policies

There shall be no fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

Policies adopted for the induction and training of Trustees

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

Related party relationships

There are none to declare.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management (continued)

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

Trustees' indemnities

The charity has insurance that provides an indemnity for a trustee against any liability for negligence, default, breach of duty or breach of trust by them in relation to the charity.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 Trustees to prepare financial statements for each financial period. Under company law, the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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.

Approved by order of the members of the board of Trustees on 12 November 2024 and signed on their behalf by:



J Nicol - Chair

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2024

Independent Examiner's Report to the Trustees of Cumbria Law Centre ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2024.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 12 November 2024

Jonathan Miller

FCA DChA

Seavor (South Cumbria) Limited

Chartered Accountants

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

Note	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£	£
INCOME FROM:				
Donations and legacies	3	189	-	189
Charitable activities	4	331,843	182,693	514,536
Investments	6	688	-	688
Other income	7	1,799	-	1,799
TOTAL INCOME		334,519	182,693	517,212
EXPENDITURE ON:				
Charitable activities	8	240,158	94,837	334,995
TOTAL EXPENDITURE		240,158	94,837	334,995
NET MOVEMENT IN FUNDS		94,361	87,856	182,217
RECONCILIATION OF FUNDS:				
Total funds brought forward		66,743	17,186	83,929
Net movement in funds		94,361	87,856	182,217
TOTAL FUNDS CARRIED FORWARD		161,104	105,042	266,146

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02524320

BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024	2023
		£	£
FIXED ASSETS			
Tangible assets	13	9,768	9,466
CURRENT ASSETS			
Debtors	14	9,672	3,257
Cash at bank and in hand		267,116	92,904
		<u>276,788</u>	<u>96,161</u>
CREDITORS: amounts falling due within one year	15	(20,410)	(21,698)
NET CURRENT ASSETS		<u>256,378</u>	<u>74,463</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>266,146</u>	<u>83,929</u>
NET ASSETS		<u>266,146</u>	<u>83,929</u>
TOTAL ASSETS		<u>266,146</u>	<u>83,929</u>
CHARITY FUNDS			
Restricted funds	16	105,042	17,186
Unrestricted funds	16	161,104	66,743
TOTAL FUNDS		<u>266,146</u>	<u>83,929</u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The 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 Trustees on 12 November 2024 and signed on their behalf by:


J Nicol - Chair

The notes on pages 14 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash used in operating activities	173,524	(24,694)
Cash flows from investing activities		
Dividends, interests and rents from investments	688	316
Net cash provided by investing activities	688	316
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	174,212	(24,378)
Cash and cash equivalents at the beginning of the year	92,904	117,282
Cash and cash equivalents at the end of the year	267,116	92,904

The notes on pages 14 to 26 form part of these financial statements

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Cumbria Law Centre is a company limited by guarantee, domiciled in England and Wales, registration number 02524320. It is a registered charity number 1004114. The company's registered office is 8 Spencer Street, Carlisle CA1 1BG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Law Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

Enter text here regarding going concern basis...

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 10% reducing balance
Fixtures and fittings	- 20% reducing balance and 20% straight line
Property improvements	- 17% reducing balance

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Donations	189	189	428
<i>Total 2023</i>	428	428	

4. Income from charitable activities

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£	£
Legal Services	34,179	-	34,179	55,898
Grants	297,664	182,693	480,357	275,486
Total 2024	331,843	182,693	514,536	331,384
<i>Total 2023</i>	281,384	50,000	331,384	

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. Grants

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£	£
Carlisle City Council	90,100	-	90,100	90,100
Copeland Borough Council	-	-	-	20,000
Eden Housing Association	-	25,000	25,000	50,000
The Indigo Trust	155,000	-	155,000	50,000
Access to Justice Foundation	52,564	157,693	210,257	64,696
Other grants	-	-	-	690
Total 2024	297,664	182,693	480,357	275,486
<i>Total 2023</i>	<i>225,486</i>	<i>50,000</i>	<i>275,486</i>	

6. Investment income

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Investment income	688	688	316
<i>Total 2023</i>	<i>316</i>	<i>316</i>	

7. Other incoming resources

	Unrestricted funds 2024	Total funds 2024	Total funds 2023
	£	£	£
Other incoming resources	1,799	1,799	856
<i>Total 2023</i>	<i>856</i>	<i>856</i>	

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	<i>Total 2023</i>
	£	£	£	£
Legal Services	240,158	94,837	334,995	367,810
<i>Total 2023</i>	316,083	51,727	367,810	

9. Analysis of expenditure by activities

	Activities undertaken directly 2024	Support costs 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£	£
Legal Services	294,822	40,173	334,995	367,810
<i>Total 2023</i>	337,546	30,264	367,810	

Analysis of direct costs

	Legal Services 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Staff costs	273,927	273,927	307,188
Depreciation	2,013	2,013	4,202
Premises expenses	1,839	1,839	3,374
Travel and subsistence	2,440	2,440	2,004
Legal and professional	7,329	7,329	13,511
Equipment leasing	4,675	4,675	6,405
Training	2,599	2,599	862
	294,822	294,822	337,546
<i>Total 2023</i>	337,546	337,546	

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

Analysis of support costs

	Legal Services 2024	Total funds 2024	<i>Total funds 2023</i>
	£	£	£
Premises expenses	5,622	5,622	698
Telephone	4,530	4,530	5,892
Computer costs	5,793	5,793	4,423
Printing postage stationery	5,248	5,248	4,551
Legal and professional	7,260	7,260	441
Repairs and maintenances	5,549	5,549	3,857
Sundry	2,192	2,192	2,834
Insurances	1,871	1,871	5,742
Governance costs	2,108	2,108	1,826
Total 2024	<u>40,173</u>	<u>40,173</u>	<u>30,264</u>
<i>Total 2023</i>	<u>30,264</u>	<u>30,264</u>	

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,550 (2023 - £1,300).

11. Staff costs

	2024	<i>2023</i>
	£	£
Wages and salaries	244,009	272,370
Social security costs	17,710	21,228
Contribution to defined contribution pension schemes	12,208	13,590
	<u>273,927</u>	<u>307,188</u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	<i>2023 No.</i>
Charitable staff	2	<i>9</i>
Support staff	7	<i>2</i>
	9	<i>11</i>

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvement £	Total £
Cost or valuation					
At 1 April 2023	81,310	44,557	16,595	21,020	163,482
Additions	-	-	2,314	-	2,314
At 31 March 2024	<u>81,310</u>	<u>44,557</u>	<u>18,909</u>	<u>21,020</u>	<u>165,796</u>
Depreciation					
At 1 April 2023	75,079	42,928	15,433	20,576	154,016
Charge for the year	623	326	988	75	2,012
At 31 March 2024	<u>75,702</u>	<u>43,254</u>	<u>16,421</u>	<u>20,651</u>	<u>156,028</u>
Net book value					
At 31 March 2024	<u>5,608</u>	<u>1,303</u>	<u>2,488</u>	<u>369</u>	<u>9,768</u>
At 31 March 2023	<u>6,231</u>	<u>1,629</u>	<u>1,162</u>	<u>444</u>	<u>9,466</u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. Debtors

	2024	2023
	£	£
Due within one year		
Other debtors	5,994	-
Prepayments and accrued income	3,678	3,257
	<u>9,672</u>	<u>3,257</u>
	<u><u>9,672</u></u>	<u><u>3,257</u></u>

15. Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	8,676	6,893
Other taxation and social security	6,496	7,981
Other creditors	3,688	5,524
Accruals and deferred income	1,550	1,300
	<u>20,410</u>	<u>21,698</u>
	<u><u>20,410</u></u>	<u><u>21,698</u></u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
Unrestricted funds				
General funds	66,743	334,519	(240,158)	161,104
Restricted funds				
Restricted funds	17,186	182,693	(94,837)	105,042
Total of funds	83,929	517,212	(334,995)	266,146

Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Unrestricted funds				
General funds	99,842	282,984	(316,083)	66,743
Restricted funds				
Restricted funds	18,913	50,000	(51,727)	17,186
Total of funds	118,755	332,984	(367,810)	83,929

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 March 2024
	£	£	£	£
General funds	66,743	334,519	(240,158)	161,104
Restricted funds	17,186	182,693	(94,837)	105,042
	83,929	517,212	(334,995)	266,146

Summary of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2023</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
General funds	99,842	282,984	(316,083)	66,743
Restricted funds	18,913	50,000	(51,727)	17,186
	<i>118,755</i>	<i>332,984</i>	<i>(367,810)</i>	<i>83,929</i>

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024	Restricted funds 2024	Total funds 2024
	£	£	£
Tangible fixed assets	9,768	-	9,768
Current assets	171,746	105,042	276,788
Creditors due within one year	(20,410)	-	(20,410)
Total	161,104	105,042	266,146

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	9,466	-	9,466
Current assets	78,975	17,186	96,161
Creditors due within one year	(21,698)	-	(21,698)
Total	<u>66,743</u>	<u>17,186</u>	<u>83,929</u>

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	<u>182,217</u>	<u>(34,826)</u>
Adjustments for:		
Depreciation charges	2,012	4,202
Dividends, interests and rents from investments	(688)	(316)
Increase in debtors	(6,415)	(87)
Increase/(decrease) in creditors	(1,288)	6,333
Fixed asset purchases	(2,314)	-
Net cash provided by/(used in) operating activities	<u><u>173,524</u></u>	<u><u>(24,694)</u></u>

20. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	16	125
Cash at bank	267,100	92,779
Total cash and cash equivalents	<u><u>267,116</u></u>	<u><u>92,904</u></u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	92,904	174,212	267,116
	<u>92,904</u>	<u>174,212</u>	<u>267,116</u>

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £12,208 (2023 - £13,590); an amount of £Nil (2023 £1,836) was payable to the fund at the balance sheet date and is included in creditors.

Accounts

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

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CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

Trustees

V A Lewis
J Masson
J R Nicol, Chair
J Hunston, Treasurer
L E Rutherford
S Watson, Vice Chair
K Lockney (resigned 2 August 2023)
Michelle Wright (appointed 8 February 2022)

Company registered number

02524320

Charity registered number

1004114

Registered office

8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Accountants

Full Circle Accountancy Limited
The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers

Clydesdale Bank
82 English Street
Carlisle
Cumbria
CA3 8HP

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report together with the financial statements of the Cumbria Law Centre for the 1 April 2022 to 31 March 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Law Centre is established for the following purposes:

- (i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered
- (ii) the advancement of education amongst persons resident or working in the benefit area.
- (iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

Strategies for achieving objectives

The Law Centre currently serves the residents of Carlisle, Eden, Allerdale and Copeland. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services. We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.

We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Review of activities

The running of the Law Centre continues to be a challenging task, one mirrored up and down the county in other centres. Whilst there is currently a growing need for specialist advice in the community, funding remains a challenge and we are constantly looking for new sources of funding. The complexity of matching legal aid with people in need is another key issue for us. Nevertheless, the centre has performed well and served the community in cases of debt, welfare benefits, housing and employment. The impact for those we help is substantial, often life-changing, and we have returned more than £1.6 million to some of the most vulnerable, socially isolated and economically poor people in our county. We have helped more than 200 individuals and families to avoid the impending loss of their home and taken more than 300 people from a position of poverty and hopelessness to a position of some financial security, offering them a certain amount of hope for the future. The unknown effects of the setting up of the two unitary local authorities to replace the previous arrangements will hopefully become clearer in the coming months.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Our performance against objectives:

Main objectives for the year were:

Service Delivery

- 1. Continue with Covid-safe business practices in changing conditions** – Fully achieved – we operated smoothly and supported vulnerable staff, volunteers and clients.
- 2. Succeed in attaining new Legal Aid housing contract if and when tendered** – Fully achieved – we attained and we are operating both a housing and debt legal aid contract and also the HLPAS (Housing Loss Prevention Advice Service)
- 3. Attain new housing court duty contract** – Fully achieved – see above.
- 4. Explore and pursue opportunities in other, emerging legal aid funded areas such as for probation service users** – Partly achieved – though we haven't developed services for Probation users, we are involved in a local Youth Hub with the JobCentre and have also applied for legal aid contracts in Community Care and Discrimination for 2024.
- 5. Develop our funded housing work in areas such as injunctions** – Fully achieved – we have undertaken some very complex cases under legal aid certificates for some clients with very serious needs.
- 6. Develop delivery of employment law and potential for charging for services** – Fully achieved – the service has grown very well and we are able to recoup some costs through work on settlement agreements.
- 7. Retain our cooperation with Eden Housing Association** – Fully achieved – A full service ran through 2022/23 though we do expect this to be reduced from late 2023.
- 8. Continue work on upgrades and redecoration of our building, including a full appraisal of all work that is needed, up- to-date estimates / quotations and detailed prioritising of those jobs for funding purposes** – Partly achieved – we have continued to do the groundwork for this.
- 9. Submit Lottery bid in relation to that building work** – Partially achieved – though we have not yet made a Reaching Communities bid, we have bid to the 'Community Cost of Living Fund' of the National Lottery for the first part of the work.
- 10. Ensure compliance with Lexcel Standards** – Fully achieved – we received probably our best ever feedback from Lexcel following the audit in January 2023.

Finance/Funding

- 1. Set and achieve a budget that represents breakeven performance over the years 2022/2023** – Partially achieved, we expect the financial year 2023/24 to finish with a substantial surplus offsetting small losses in the two previous years.
- 2. Enhance fundraising capabilities either by working with fundraisers or recruiting a development worker** – Partially achieved – office manager, Jo-Anne Wood took on some considerable fundraising work with the Head of Centre and this helped us lay the groundwork for what may be our best year in the last decade in terms of trusts and foundations in 2023/24.
- 3. Protect our local authority funding in Carlisle and Copeland** – Fully achieved – both were continued at the same rate with a small amount of extra funding from Copeland (£5,000).

Governance

- 1. Support Management Committee's development, governance work and recruitment** – Partially achieved – work is ongoing but it is recognised that new members must be recruited in 2023/24 to secure the future effectiveness of the Management Committee. Committee members did attend some online sessions run by the Law Centres Network and this contributed greatly to the group's understanding and vision in terms of governance.

Outreach

- 1. Further develop links and referral activity with local private practice** – Partially achieved – active links remain in terms of referral and support for clients but more could be done to promote sharing of supervision etc.
- 2. Develop initiative to promote the centre to the public and develop membership as a result** – Not achieved – in a year that presented funding challenges, little progress was made in developing and growing the Law Centre membership, though it remains at healthy levels with over 100 active Members.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Main objectives for the year to March 2024:

Service Delivery

1. Succeed in attaining new Legal Aid housing contract covering early help and court duty.
2. Secure new LA contract in general housing work.
3. Develop our funded housing work in complex cases including certificated work.
4. Develop delivery of employment law and potential for charging for services – charging review to be carried out by September 2023.
5. Retain our cooperation with Eden Housing Association concentrating on the most specialist advice.
6. Secure funding and bring work on upgrades and redecoration of our building.
7. Recruit to bolster legal services in housing as well as supervisory and management options.
8. Build on recruitment to deliver housing law in a more county-wide way, including connecting people with specialist services in the south of the county.
9. Ensure compliance with Lexcel Standards.

Finance/Funding

1. Set and achieve a budget that represents a small surplus (£20k) across the years 2022-2024.
2. Secure Lottery funding for building work and enhanced services or equivalent funding .
3. Secure continued funding from Cumberland and attempt to regain funding in Westmorland and Furness areas.
4. Cash position at end of 2024 to be at least £150k including reserves.
5. Bid for 'Improving Outcomes' grant.
6. Achieve full cost recovery in all possible funding bids.

Governance

1. Support ManCo's development, governance work and recruitment – co-opt two new members to Manco before AGM in Nov 2023.
2. Manco strategic review.
3. The Law Centre plans to run annual Staff and Trustee training days and arranges other in-house training to meet identified needs.

Outreach

1. Further develop links and referral activity with local private practice.
2. Develop initiative to promote the centre to the public and develop membership as a result.
3. Continue volunteer programs with students and individuals and explore further links with University of Cumbria.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

In conclusion

We have come out of the Covid crisis to find a world that has changed in many ways. Working from home and virtual meetings do not always provide the solutions that were hoped for. Personal contact and networking have proved difficult often leading to feelings of isolation. There is now a greater emphasis on health and mental health issues in particular are becoming recognised as a major problem. Locally, asylum seekers have been added to our community as well as those escaping the fighting in Ukraine. And over all of these we have had yet another economic crisis. It is not surprising that the need for support from organisations like ours is growing but at a time when finding funding is getting more competitive as resources shrink.

This has been another challenging year, but that is no surprise! Law Centres throughout our Network are experiencing an array of challenges in terms of how to fund and develop their much-needed services. Though there has been some supposed expansion of the services funded under legal aid to those facing the loss of their home, the new HLPAS contracts would not come into effect until September 2023 and, even then, the problem of clients falling through the net remain. As a result, we are still finding it very difficult to fund our work through legal aid. Not least because there is a difficult 'chicken and egg' dynamic when bidding for contracts. The available pool of social welfare specialists has dwindled massively – one might even suggest collapsed - in the last decade. As a result, the ability to meet the supervisor requirements for legal aid contracts is a really tough task, especially when those contracts only contribute a small amount of income. The wide population dispersal in Cumbria makes delivery even more complex and expensive. Our new housing duty court contract covers days at both Barrow and Carlisle Courts – but only makes a contribution of less than £10,000 per annum, despite needing around three days per week of solicitor time to make it work smoothly. So, it is certainly difficult and complicated to design and deliver an effective and sustainable service.

But, our clients need us! So, we do find ways. But it is clear that our service relies ever more heavily on trusts and foundations and especially, perhaps, the grants emanating from the Community Justice Fund. Without them, and the understanding of the Access to Justice Foundation, funding a small regional law centre may well have seemed impossible in recent years. As it is, we are moving into the financial year 2023/24 with optimism in terms of our fundraising. We are in fact expecting a particularly good year in terms of that stream of income. This will only bring us into a position of relative steadiness over the life of the current business plan but, in the current climate, that is a significant achievement. However, we aspire to more. At the time of writing, the centre is currently recruiting a trainee solicitor and a supervising caseworker, and this will not only grow our ability to help people in need immediately but will sow the seeds for the future too. This has been thanks to success in the 'Improving Outcomes Through Legal Services' fund and a bid to the MoJ. Bringing in new people, especially with the energy of trainees, is always a cause for celebration. Elsewhere, it is 'so far so good' in negotiating what might happen to local government grants as a result of reorganisation in the county, but we know that the future cannot be taken for granted in terms of this source of support. We must continue to effectively communicate the value of what we do and the significant savings it brings to the public purse in reducing homelessness and the need for emergency accommodation and support to those who find themselves in that terrible situation.

For now, we continue to offer support, free to the person in need of it, in matters of debt, housing, welfare benefits and employment and continue to offer a lifeline to those who find their income, their accommodation, their job and essentially their world collapsing around them. I think we can be immensely proud of that.

As ever, I would like to thank my colleagues on the Management Committee for their tireless contributions and support. But, as ever, the big thanks must go to all the staff and volunteers who put their shoulder to the wheel each day and keep the service running. We are well aware of what you do and the contribution that you make to the lives of the people that you help. We would also like to thank the Law Centres Network for the help and support that it has given, especially with regard to the tendering processes.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

Finally, as ever, we would like to thank those who have contributed to us financially during the 2022/3 year, namely:

Carlisle City Council
Copeland Borough Council
The Indigo Trust
Eden Housing Association
The Legal Aid Agency
Access to Justice Foundation

We sincerely appreciate your help and understanding of our work and our needs, and we could not serve our community without your support.

As we do every year, we have also produced a small volume of case studies that go some way to describing the difficulties faced by our clients, our work in response and the help provided to us by our volunteers.

We really encourage you to read that in conjunction with this report and attached accounts to understand the human and legal aspects of our work better. It will be available electronically via our website and Facebook page from the date of our AGM page or you can email petemoran@cumbria-law.org.uk to have a copy sent to you. The stories told in there are important and often very moving.

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months of the total unrestricted expenditure should be maintained. If the level of free reserves falls below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

At the year end, there are insufficient free reserves to meet the target reserves of three months operating expenditure. The trustees are aware of this shortfall in reserves and aim to restore the required level as soon as possible but see the shortfall as only a temporary situation. The trustees continue to seek additional sources of income to restore the reserves position.

Principal funding

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation. In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Material investments policy

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Structure, governance and management

Constitution

Cumbria Law Centre is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on the 20 July 1990. The Memorandum and Articles of Association comprise the governing document, as updated in November 2022.

Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

Organisational structure and decision-making policies

There shall be no fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

Policies adopted for the induction and training of Trustees

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

Related party relationships

There are none to declare.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

Trustees' indemnities

The charity has insurance that provides an indemnity for a trustee against any liability for negligence, default, breach of duty or breach of trust by them in relation to the charity.

Members' liability

The Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity 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 Trustees to prepare financial statements for each financial period. Under company law, the Trustees 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 Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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.

Approved by order of the members of the board of Trustees on 14 November 2023 and signed on their behalf by:

J Nicol - Chair

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Independent Examiner's Report to the Trustees of Cumbria Law Centre ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2023.

Responsibilities and Basis of Report

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 14 November 2023

Jonathan Miller

FCA DChA

Full Circle Accountancy Limited

Chartered Accountants

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

Note	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
INCOME FROM:				
Donations and legacies	3 428	-	428	87,296
Charitable activities	4 281,384	50,000	331,384	263,101
Investments	6 316	-	316	35
Other income	7 856	-	856	-
TOTAL INCOME	282,984	50,000	332,984	350,432
EXPENDITURE ON:				
Charitable activities	8 316,083	51,727	367,810	359,737
TOTAL EXPENDITURE	316,083	51,727	367,810	359,737
NET MOVEMENT IN FUNDS	(33,099)	(1,727)	(34,826)	(9,305)
RECONCILIATION OF FUNDS:				
Total funds brought forward	99,842	18,913	118,755	128,060
Net movement in funds	(33,099)	(1,727)	(34,826)	(9,305)
TOTAL FUNDS CARRIED FORWARD	66,743	17,186	83,929	118,755

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)
REGISTERED NUMBER: 02524320

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	9,466	13,668
CURRENT ASSETS			
Debtors	14	3,257	3,170
Cash at bank and in hand		92,904	117,282
		<u>96,161</u>	<u>120,452</u>
CREDITORS: amounts falling due within one year	15	(21,698)	(15,365)
NET CURRENT ASSETS		74,463	105,087
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>83,929</u>	<u>118,755</u>
NET ASSETS		<u>83,929</u>	<u>118,755</u>
TOTAL ASSETS		<u><u>83,929</u></u>	<u><u>118,755</u></u>
CHARITY FUNDS			
Restricted funds	16	17,186	18,913
Unrestricted funds	16	66,743	99,842
TOTAL FUNDS		<u><u>83,929</u></u>	<u><u>118,755</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The 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 Trustees on 14 November 2023 and signed on their behalf by:

J Nicol
(Chair of Trustees)

The notes on pages 15 to 26 form part of these financial statements.

CUMBRIA LAW CENTRE
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities	(24,694)	1,568
Cash flows from investing activities		
Dividends, interests and rents from investments	316	35
Purchase of tangible fixed assets	-	(1,097)
Net cash provided by/(used in) investing activities	316	(1,062)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(24,378)	506
Cash and cash equivalents at the beginning of the year	117,282	116,776
Cash and cash equivalents at the end of the year	92,904	117,282

The notes on pages 15 to 26 form part of these financial statements

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Cumbria Law Centre is a company limited by guarantee, domiciled in England and Wales, registration number 02524320. It is a registered charity number 1004114. The company's registered office is 8 Spencer Street, Carlisle CA1 1BG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Law Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 10% reducing balance
Fixtures and fittings	- 20% reducing balance and 20% straight line
Property improvements	- 17% reducing balance

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.10 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Donations	428	428	600
Grants	-	-	80,013
Government grants	-	-	6,683
Total 2023	<u>428</u>	<u>428</u>	<u>87,296</u>
<i>Total 2022</i>	<u>87,296</u>	<u>87,296</u>	

4. Income from charitable activities

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
Legal Services	55,898	-	55,898	36,370
Grants	225,486	50,000	275,486	226,731
Total 2023	<u>281,384</u>	<u>50,000</u>	<u>331,384</u>	<u>263,101</u>
<i>Total 2022</i>	<u>197,101</u>	<u>66,000</u>	<u>263,101</u>	

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Grants

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£	£
Carlisle City Council	90,100	-	90,100	90,100
Copeland Borough Council	20,000	-	20,000	20,000
Eden Housing Association	-	50,000	50,000	66,000
The Indigo Trust	50,000	-	50,000	50,631
Access to Justice Foundation	64,696	-	64,696	-
Other grants	690	-	690	-
Total 2023	225,486	50,000	275,486	226,731
<i>Total 2022</i>	<i>160,731</i>	<i>66,000</i>	<i>226,731</i>	

6. Investment income

	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£
Investment income	316	316	35
<i>Total 2022</i>	<i>35</i>	<i>35</i>	

7. Other incoming resources

	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	£	£	£
Other incoming resources	856	856	-

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	<i>Total 2022</i>
	£	£	£	£
Legal Services	316,083	51,727	367,810	359,737
<i>Total 2022</i>	241,020	118,717	359,737	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023	Support costs 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£	£
Legal Services	337,546	30,264	367,810	359,737
<i>Total 2022</i>	330,941	28,796	359,737	

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Legal Services 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Staff costs	307,188	307,188	290,575
Depreciation	4,202	4,202	3,129
Premises expenses	3,374	3,374	3,986
Travel and subsistence	2,004	2,004	1,875
Legal and professional	13,511	13,511	15,788
Equipment leasing	6,405	6,405	8,514
Sundry	-	-	3,655
Training	862	862	3,419
	<u>337,546</u>	<u>337,546</u>	<u>330,941</u>
<i>Total 2022</i>	<u>330,941</u>	<u>330,941</u>	

Analysis of support costs

	Legal Services 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	£
Premises expenses	698	698	-
Telephone	5,892	5,892	6,867
Computer costs	4,423	4,423	1,962
Printing postage stationery	4,551	4,551	2,973
Legal and professional	441	441	2,902
Repairs and maintenances	3,857	3,857	4,647
Sundry	2,834	2,834	1,600
Insurances	5,742	5,742	5,980
Governance costs	1,826	1,826	1,865
Total 2023	<u>30,264</u>	<u>30,264</u>	<u>28,796</u>
<i>Total 2022</i>	<u>28,796</u>	<u>28,796</u>	

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,300 (2022 - £1,230).

11. Staff costs

	2023	2022
	£	£
Wages and salaries	272,370	258,642
Social security costs	21,228	19,276
Contribution to defined contribution pension schemes	13,590	12,657
	<u>307,188</u>	<u>290,575</u>

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Charitable staff	9	9
Support staff	2	2
	<u>11</u>	<u>11</u>

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvements £	Total £
Cost or valuation					
At 1 April 2022	81,310	44,557	16,595	21,020	163,482
At 31 March 2023	81,310	44,557	16,595	21,020	163,482
Depreciation					
At 1 April 2022	74,387	42,520	12,422	20,485	149,814
Charge for the year	692	408	3,011	91	4,202
At 31 March 2023	75,079	42,928	15,433	20,576	154,016
Net book value					
At 31 March 2023	6,231	1,629	1,162	444	9,466
At 31 March 2022	6,923	2,037	4,173	535	13,668

14. Debtors

	2023 £	2022 £
Due within one year		
Prepayments and accrued income	3,257	3,170
	3,257	3,170

15. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	6,893	6,242
Other taxation and social security	7,981	4,205
Other creditors	5,524	3,688
Accruals and deferred income	1,300	1,230
	21,698	15,365

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
General funds	99,842	282,984	(316,083)	66,743
	<u>99,842</u>	<u>282,984</u>	<u>(316,083)</u>	<u>66,743</u>
Restricted funds				
Restricted funds	18,913	50,000	(51,727)	17,186
	<u>18,913</u>	<u>50,000</u>	<u>(51,727)</u>	<u>17,186</u>
Total of funds	<u>118,755</u>	<u>332,984</u>	<u>(367,810)</u>	<u>83,929</u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
Unrestricted funds				
General Funds - all funds	56,430	284,432	(241,020)	99,842
Restricted funds				
Restricted funds	71,630	66,000	(118,717)	18,913
Total of funds	<u>128,060</u>	<u>350,432</u>	<u>(359,737)</u>	<u>118,755</u>

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
General funds	99,842	282,984	(316,083)	66,743
Restricted funds	18,913	50,000	(51,727)	17,186
	<u>118,755</u>	<u>332,984</u>	<u>(367,810)</u>	<u>83,929</u>

Summary of funds - prior year

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
General funds	56,430	284,432	(241,020)	99,842
Restricted funds	71,630	66,000	(118,717)	18,913
	<u>128,060</u>	<u>350,432</u>	<u>(359,737)</u>	<u>118,755</u>

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023	Restricted funds 2023	Total funds 2023
	£	£	£
Tangible fixed assets	9,466	-	9,466
Current assets	78,975	17,186	96,161
Creditors due within one year	(21,698)	-	(21,698)
Total	66,743	17,186	83,929

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022</i>	<i>Restricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£
Tangible fixed assets	13,668	-	13,668
Current assets	97,851	22,601	120,452
Creditors due within one year	(11,677)	(3,688)	(15,365)
Total	99,842	18,913	118,755

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(34,826)	(9,305)
Adjustments for:		
Net cash used in operating activities	(34,826)	(9,305)

CUMBRIA LAW CENTRE
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand	125	285
Cash at bank	92,779	116,997
Total cash and cash equivalents	92,904	117,282

21. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	117,282	(24,378)	92,904
	117,282	(24,378)	92,904

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £13,590 (2022 - £12,657); an amount of £1,836 (2022 £Nil) was payable to the fund at the balance sheet date and is included in creditors.

Accounts

CUMBRIA LAW CENTRE
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CUMBRIA LAW CENTRE
(A company limited by guarantee)

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CUMBRIA LAW CENTRE
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

V A Lewis, Vice Chair
J Masson, Chair
J R Nicol
J Hunston, Treasurer
L E Rutherford
S Watson
K Lockney

Company registered number
02524320

Charity registered number
1004114

Registered office
8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Senior management team
Pete Moran, Centre Manager

Accountants
Full Circle Accountancy Limited
Chartered Accountants
The Office
Mardale Road
Penrith
Cumbria
CA11 9EH

Bankers
Clydesdale Bank
82 English Street
Carlisle
Cumbria
CA3 8HP

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their Annual Report together with the financial statements of the charity for the 1 April 2021 to 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015). The Trustees (who are also directors of the charity for the purposes of the Companies Act) confirm that the Annual Report and financial statements of the charity comply with current statutory requirements and the requirements of the charity's governing document.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

POLICIES AND OBJECTIVES

The Law Centre is established for the following purposes:

- (i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered
- (ii) the advancement of education amongst persons resident or working in the benefit area.
- (iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Law Centre currently serves the residents of Carlisle, Eden, Allerdale and Copeland. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services.

We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.

We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

REVIEW OF ACTIVITIES

We had expected that, during this reporting year, we would see a significant rise in demand for our services in housing cases. Financial conditions were tough with rising inflation, the eviction ban coming to an end and, although unemployment was notionally quite low, we were aware of many local people who were in work but earning very low wages and struggling with living costs. But simultaneously, we saw several factors that worked to keep the number of people coming to court quite low. The main one was that social housing providers worked hard in support of struggling tenants and acted more flexibly in relation to rent arrears. This meant that the process of bringing possession proceedings against tenants was much more drawn out. This is to be applauded in so far as it delays a person potentially becoming homeless. However, there are downsides too. When people did come to court, they were often carrying much greater levels of housing debt. And, in the private rented sector, people often did not even come to court but instead put their efforts into finding new accommodation, while accepting the outcome of the hearing without any contest on their part. This all served to reduce the amount of 'typical' housing work undertaken by the centre and, as a result, reduced significantly the amount of legal aid we earned. Our housing workers were mainly taken up with smaller numbers of very complicated cases for very vulnerable and complex clients. That work is taxing and difficult. The reduced legal aid income had implications for all of our activities and our ability to recruit. But we still did well, filling two out of the three intended roles and developing both our employment offer and our fundraising capacity.

Our performance against objectives:

MAIN OBJECTIVES FOR THE YEAR WERE:

Service Delivery

1. Continue with Covid-safe business practices in changing conditions.

(Achieved – a mixture of telephone, electronic and face-to-face work including court duty attendance allowed us to continue effectively and safely.)

2. Succeed in attaining new Legal Aid housing contract if and when tendered.

(Achieved – a new contract was not tendered but we secured extensions to our existing contracts)

3. Develop our funded housing work in areas such as injunctions.

(Achieved – in the absence of much of the typical rent arrears housing work that we normally pick up, we took on many complex cases for clients who would not have found such support anywhere else.)

4. Retain delivery of employment law and develop charging for services potential.

(Partly achieved – we were indeed able to recruit an experienced employment solicitor in 2021 but have not yet progressed charging for services. However, thus far that has been through active choice rather than a failure to achieve an objective. Wherever possible we want all our services to remain free to the user.)

5. Retain our cooperation with Eden Housing Association.

(Achieved – despite all of the pressures on housing providers, we were delighted that EHA continued to support this excellent project and we sincerely thank them for that.)

6. Continue work on upgrades and redecoration of our building – Lottery bid.

(Not achieved – however much work has been done on getting quotes for work on our current building along with exploring other possibilities such as disposal of the building and moving to rented premises. This work is ongoing)

7. Ensure compliance with Lexcel Standards.

(Achieved – we passed our full audit with plenty of excellent feedback, just a few areas for improvement and no non-compliances – neither major nor minor)

Finance/Funding

1. Set and achieve a budget which represents breakeven performance over the years 2021-22.

(Achieved – this year's accounts show a modest operating deficit but, set against the surplus of 2021, this represents slightly better than breakeven performance over that period.)

2. Enhance fundraising capabilities either by working with fundraisers or recruiting development worker.

(Achieved – we have worked with fundraisers who have been provided to us via support from LCN but also hired a new Office Manager who is dedicating approximately one day per week to fundraising support and is adding much to our abilities in that area)

3. Find one new major funder of £50k per annum or more.

(Not achieved – we didn't find a specific, new source of income at this level but there has been better news since then which will appear in next year's report.)

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

4. Protect our local authority funding where possible and prepare for implications of Unitary Authority.

(Achieved – we managed to retain our funding from Carlisle City Council and Copeland, the latter committing to two years' funding taking us through the first year of Local Government Reorganisation)

Personnel/Recruitment

1. Recruit new solicitor / caseworker in housing.

(Not achieved – we simply did not see the expected swell in legal aid casework to support such a recruitment. See the 'In conclusion' section below for details)

2. Recruit new solicitor / caseworker in employment.

(Achieved – a new qualified solicitor was recruited in 2021)

3. Successfully recruit to replace retiring office manager.

(Achieved – firstly a new Administrator was recruited who has since become office manager including fundraising activities)

4. Manco development - review and recruit as necessary for future stability.

(Partially achieved – we were able to recruit a valuable, new trustee but there is much work to be done in developing the Managing Committee for the future and, at the time of writing, there is a lot of energy being put into that task)

Outreach

1. Event to mark 30-year anniversary – missed due to knockdowns in 2020

(Not achieved – despite improving conditions around Covid and relaxing of restrictions etc, there was still considerable reticence from many people in terms of attending large, in-person events. It was decided that, given that uncertainty, putting a lot of time into such an event was not likely to be a good use of time or resources)

2. Further develop links with commercial practices to enhance our services and sharing of supervision etc.

(Partially achieved – some good informal links were nurtured, including between local practitioners who had once been volunteers at the centre, but we believe that there is still much work to do in building a support base, including financial support, for our work amongst local practices.

3. Enhance CLC's membership programme.

(Partially achieved – we have grown the number of listed members of the programme but there is still great deal of work to do in connecting with that group and growing our engagement productively for both them and the centre)

MAIN OBJECTIVES FOR THE YEAR AHEAD ARE:

Service Delivery

1. Continue with Covid-safe business practices in changing conditions.
2. Succeed in attaining new Legal Aid housing contract if and when tendered.
3. Attain new housing court duty contract.
4. Explore and pursue opportunities in other, emerging legal aid funded areas such as for probation service users
5. Develop our funded housing work in areas such as injunctions.
6. Develop delivery of employment law and potential for charging for services.
7. Retain our cooperation with Eden Housing Association.
8. Continue work on upgrades and redecoration of our building, including a full appraisal of all work that is needed, up-to-date estimates / quotations and detailed prioritising of those jobs for funding purposes
9. Submit Lottery bid in relation to that building work.
10. Ensure compliance with Lexcel Standards.

Finance/Funding

1. Set and achieve a budget that represents breakeven performance over the years 2022/2023.
2. Enhance fundraising capabilities either by working with fundraisers or recruiting a development worker.
3. Protect our local authority funding in Carlisle and Copeland.

Governance

1. Support Management Committee's development, governance work and recruitment.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Outreach

1. Further develop links and referral activity with local private practice.
2. Develop initiative to promote the centre to the public and develop membership as a result.

In conclusion

2021/22 was, in the event very much a 'holding' year at the centre. We had begun the year quite confident that we would slightly exceed our target of a breakeven position over the year ending 2021-22. But, in the event, as detailed above, legal aid was not available to us at the levels we had anticipated. Nevertheless we still maintained a steady position, ending the year with a little over three months' cash at the bank. At the time of writing, there has been, albeit delayed, some increasing demand in legal aid-eligible cases and, as of November 2022, it is expected that the year to March 2023 may well end in a small operating surplus.

Highlights of the period included the recruitment of two new employees, Jo-Anne Wood, now Office Manager, who has proven to be an excellent addition to the team in all respects and Adrian Farley, an experienced employment solicitor who, as well as having worked at a law centre before, also has local government experience as a city councillor in Bradford. At the same time, we said an emotional farewell to our long-serving and highly valued Office Manager, Annette Oxley. Annette brought great conscientiousness, experience and industry to the role and helped see us through some very challenging times with a rapidly changing legal aid landscape in the early 2000's. She also drove the social side of the centre and was a great organiser of events from AGMs to Christmas lunches. We sincerely thank her and wish her a very happy retirement.

In terms of our Management Committee, I (Stuart Watson) took on the role of Chair at the AGM in November 2021 and would like to thank John Masson from whom I collected the baton. John was as tireless and diligent a Chair as one could hope for and a great leader and supporter of the centre, its people and its work. I know that I also speak for our Head of Centre, Pete Moran here, who has asked me to convey his personal thanks and appreciation for the endless effort and care shown by John as he consistently went beyond the duties of the role to work with and support Pete, always acting professionally, energetically and with warmth and care. We sincerely appreciate all that John has done here and continues to do as member of the Management Committee. I would also like to acknowledge the work of long-serving treasurer, John Hunston who continues to bring both thoughtful and realistic guidance to the centre management through his understanding of the needs of small charities such as this one. I was also pleased to welcome Michelle Wright to the board, an excellent addition who brings understanding of legal services and the social issues into which we work.

Thank you too, of course, to all staff and volunteers. The Management Committee recognises that, not only is the work we undertake demanding, but that, as conditions worsen for many clients, it is inevitable that we are called on to help increasing numbers of desperate people, many of whom are in mental health crises. Supporting them through their time of crisis can often be a difficult and draining experience for all. All staff and volunteers play their invaluable part, not only in helping clients to get the legal help they need, but in doing all we can to support and stabilise those people who come to us on the edge, financially, emotionally and psychologically.

The centre has continued to work via a mixture of some face-to-face appointments, telephone sessions and home visits. This mix has meant that we have not returned to the daily drop-in which often saw a very crowded waiting room in the mornings - not ideal in these times - and also an occasionally overwhelming burden on the person undertaking triage duties. We have still largely had our door open though, so that people can walk in and hear about our services and make an appointment where appropriate. Depending on staff capacity and demand, we will review our drop-in sessions during 2022/23.

At the time of writing, it is clear that factors such as rapidly rising inflation and the front-end of what seems like it might be a deep and long recession, are conspiring to put severe pressure on those with both low and middle incomes. We often see that the people most likely to get into severe difficulties and face the loss of their homes are in fact working people. They may have an income split between some earned income and some Universal Credit or may just be on a low wage in a high-cost environment. Add to this the 'premiums' of rurality and scarce and expensive public transport, older, sometimes stone-built housing stock with poor energy efficiency etc. and dwindling availability of financial help from such funds as Discretionary Housing Payments, and there is no mistaking that the period ahead of us looks tough. It will be tough for clients and it will be tough for charities such as ours. Keeping our own lights on and our offices sufficiently warm in winter has become a real challenge and a concern. But, with the commitment of our trustees, staff and volunteers, we face those challenges with purpose and energy.

Finally, as ever, we would like to thank those who have contributed to us financially during this year, namely:

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Carlisle City Council
Copeland Borough Council
The Indigo Trust
Eden Housing Association
The Legal Aid Agency

We sincerely appreciate your help and understanding of our work and our needs and we could not serve our community without your support.

As we do every year, we have also produced a small volume of case studies that go some way to describing the difficulties faced by our clients, our work in response and the help provided to us by our volunteers.

We really encourage you to read that in conjunction with this report and attached accounts to understand the human and legal aspects of our work better. It is available electronically via our website and Facebook page or you can email jo-annewood@cumbria-law.org.uk to have a copy sent to you. The stories told in there are important and often very moving.

CUMBRIA LAW CENTRE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Financial review

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

RESERVES POLICY

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months' of the total unrestricted expenditure should be maintained. If the level of free reserves should fall below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

At the year end, there are insufficient free reserves to meet the target reserves of three months operating expenditure. The trustees are aware of this shortfall in reserves and aim to restore the required level as soon as possible but realise that this will not be achieved in the short term. Improved working practices have resulted in improved income from the Legal Aid Agency; however the Trustees continue to seek additional sources of income to restore the reserves position.

PRINCIPAL FUNDING

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation.

In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

MATERIAL INVESTMENTS POLICY

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

CONSTITUTION

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 20 July 1990. The Memorandum and Articles of Association comprise the governing document.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

There shall not be fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

RELATED PARTY RELATIONSHIPS

There are none to declare.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' INDEMNITIES

The charity has insurance that provides an indemnity for a trustee against any liability in connection with any negligence, default, breach of duty or breach of trust by them relation to the charity.

MEMBERS' LIABILITY

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Cumbria Law Centre 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charities SORP;
- 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Trustees, on 16 November 2022 and signed on their behalf by:

J Hunston, Treasurer

CUMBRIA LAW CENTRE
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CUMBRIA LAW CENTRE (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2022.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 16 November 2022

Jonathan Miller FCA DChA

FULL CIRCLE ACCOUNTANCY LIMITED
Chartered Accountants

CUMBRIA LAW CENTRE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE
ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies	2	87,296	-	87,296	93,599
Charitable activities	3	197,101	66,000	263,101	294,209
Investments	4	35	-	35	76
TOTAL INCOME		284,432	66,000	350,432	387,884
EXPENDITURE ON:					
Charitable activities	7	241,020	118,717	359,737	354,446
TOTAL EXPENDITURE	8	241,020	118,717	359,737	354,446
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		43,412	(52,717)	(9,305)	33,438
NET MOVEMENT IN FUNDS		43,412	(52,717)	(9,305)	33,438
RECONCILIATION OF FUNDS:					
Total funds brought forward		56,430	71,630	128,060	94,622
TOTAL FUNDS CARRIED FORWARD		99,842	18,913	118,755	128,060

The notes on pages 14 to 24 form part of these financial statements.

CUMBRIA LAW CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 02524320

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	12		13,668		15,700
CURRENT ASSETS					
Debtors	13	3,170		9,817	
Cash at bank and in hand		117,282		116,776	
		120,452		126,593	
CREDITORS: amounts falling due within one year	14	(15,365)		(14,233)	
NET CURRENT ASSETS			105,087		112,360
NET ASSETS			118,755		128,060
CHARITY FUNDS					
Restricted funds	15		18,913		71,630
Unrestricted funds	15		99,842		56,430
TOTAL FUNDS			118,755		128,060

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 16 November 2022 and signed on their behalf, by:

J Hunston, Treasurer

The notes on pages 14 to 24 form part of these financial statements.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Law Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

I.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

I.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

I. ACCOUNTING POLICIES (continued)

I.4 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	10% reducing balance
Fixtures and fittings	-	20% reducing balance and 20% straight line
Property improvements	-	17% reducing balance

I.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

I.6 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

I.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

I.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

I.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

I.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES (continued)

1.11 Corporation Tax

The charity is exempt from corporation tax on its charitable activities.

1.12 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.13 Valued added tax

The charity is registered for VAT. Expenditure is shown net of VAT where a reclaim of VAT is allowed under the terms of the registration.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	600	-	600	620
Grants	80,013	-	80,013	81,800
Government grants	6,683	-	6,683	11,179
Total donations and legacies	87,296	-	87,296	93,599
Total 2021	93,599	-	93,599	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Legal Services	36,370	-	36,370	39,083
Grants	160,731	66,000	226,731	255,126
	197,101	66,000	263,101	294,209
Total 2021	214,209	80,000	294,209	

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Grants received

	2022 £	2021 £
Carlisle City Council	90,100	75,100
Allerdale Borough Council	-	19,500
Copeland Borough Council	20,000	15,000
Eden Housing Association	66,000	30,000
Carlisle and Eden Mind	-	15,526
Esmee Fairbairn Trust	-	25,000
Cumbria County Council	-	5,000
Cumbria Community Foundation	-	20,000
The Indigo Trust	50,631	50,000
Total	226,731	255,126

4. INVESTMENT INCOME

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	35	-	35	76
Total 2021	76	-	76	

5. DIRECT COSTS

	Legal Services £	Total 2022 £	Total 2021 £
Premises expenses	3,986	3,986	3,390
Computer costs	-	-	307
Travel and subsistence	1,875	1,875	-
Legal and professional	15,788	15,788	10,912
Equipment leasing	8,514	8,514	7,031
Sundry	3,655	3,655	1,103
Training	3,419	3,419	2,041
Wages and salaries	258,642	258,642	269,082
National insurance	19,276	19,276	20,421
Pension cost	12,657	12,657	13,389
Depreciation	3,129	3,129	3,229
	330,941	330,941	330,905
Total 2021	330,905	330,905	

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. SUPPORT COSTS

	Legal Services £	Total 2022 £	Total 2021 £
Telephone	6,867	6,867	4,686
Computer costs	1,962	1,962	1,512
Printing postage stationery	2,973	2,973	4,680
Legal and professional	2,902	2,902	1,023
Repairs and maintenance	4,647	4,647	3,652
Sundry	1,600	1,600	679
Insurances	5,980	5,980	5,607
	<u>26,931</u>	<u>26,931</u>	<u>21,839</u>
<i>Total 2021</i>	<u>21,839</u>	<u>21,839</u>	

7. GOVERNANCE COSTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Accountancy	1,792	-	1,792	1,700
Bank charges	73	-	73	2
	<u>1,865</u>	<u>-</u>	<u>1,865</u>	<u>1,702</u>

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2022 £	Other costs 2022 £	Total 2022 £	Total 2021 £
Legal Services	290,575	67,297	357,872	352,744
Expenditure on governance	-	1,865	1,865	1,702
	<u>290,575</u>	<u>69,162</u>	<u>359,737</u>	<u>354,446</u>
<i>Total 2021</i>	<u>302,892</u>	<u>51,554</u>	<u>354,446</u>	

CUMBRIA LAW CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2022	<i>2021</i>
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	3,129	<i>3,229</i>
Pension costs	12,657	<i>13,389</i>
	=====	=====

During the year, no Trustees received any remuneration (2021 - £NIL).

During the year, no Trustees received any benefits in kind (2021 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2021 - £NIL).

10. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,200 (2021 - £1,000).

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. STAFF COSTS

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	258,642	269,082
Social security costs	19,276	20,421
Other pension costs	12,657	13,389
	<u>290,575</u>	<u>302,892</u>

The average number of persons employed by the charity during the year was as follows:

	2022 No.	2021 No.
Charitable staff	9	9
Support staff	2	2
	<u>11</u>	<u>11</u>

No employee received remuneration amounting to more than £60,000 in either year.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvements £	Total £
Cost					
At 1 April 2021	81,310	44,557	15,498	21,020	162,385
Additions	-	-	1,097	-	1,097
At 31 March 2022	<u>81,310</u>	<u>44,557</u>	<u>16,595</u>	<u>21,020</u>	<u>163,482</u>
Depreciation					
At 1 April 2021	73,618	42,011	10,681	20,375	146,685
Charge for the year	769	509	1,741	110	3,129
At 31 March 2022	<u>74,387</u>	<u>42,520</u>	<u>12,422</u>	<u>20,485</u>	<u>149,814</u>
Net book value					
At 31 March 2022	<u>6,923</u>	<u>2,037</u>	<u>4,173</u>	<u>535</u>	<u>13,668</u>
At 31 March 2021	<u>7,692</u>	<u>2,546</u>	<u>4,817</u>	<u>645</u>	<u>15,700</u>

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. DEBTORS

	2022	<i>2021</i>
	£	<i>£</i>
Trade debtors	-	3,018
Prepayments and accrued income	3,170	6,799
	3,170	9,817

14. CREDITORS: Amounts falling due within one year

	2022	<i>2021</i>
	£	<i>£</i>
Trade creditors	6,242	3,824
Other taxation and social security	4,205	5,521
Other creditors	3,688	3,688
Accruals and deferred income	1,230	1,200
	15,365	14,233

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
Unrestricted Funds	56,430	284,432	(241,020)	99,842
Restricted funds				
Restricted funds	71,630	66,000	(118,717)	18,913
Total of funds	128,060	350,432	(359,737)	118,755

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Unrestricted Funds	83,030	307,884	(334,484)	56,430
Restricted funds				
Restricted funds	11,592	80,000	(19,962)	71,630
Total of funds	94,622	387,884	(354,446)	128,060

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds	56,430	284,432	(241,020)	99,842
Restricted funds	71,630	66,000	(118,717)	18,913
	128,060	350,432	(359,737)	118,755

CUMBRIA LAW CENTRE
(A company limited by guarantee)

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

15. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Unrestricted funds	83,030	307,884	(334,484)	56,430
Restricted funds	11,592	80,000	(19,962)	71,630
	<u>94,622</u>	<u>387,884</u>	<u>(354,446)</u>	<u>128,060</u>

CUMBRIA LAW CENTRE
(A company limited by guarantee)

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

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	13,668	-	13,668
Current assets	97,851	22,601	120,452
Creditors due within one year	(11,677)	(3,688)	(15,365)
	<u>99,842</u>	<u>18,913</u>	<u>118,755</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	15,700	-	15,700
Current assets	51,275	75,318	126,593
Creditors due within one year	(10,545)	(3,688)	(14,233)
	<u>56,430</u>	<u>71,630</u>	<u>128,060</u>

17. OPERATING LEASE COMMITMENTS

At 31 March 2022 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts payable:		
Between 1 and 5 years	<u>15,200</u>	<u>22,000</u>

18. VOLUNTEERS

The Law Centre is currently fortunate to have 12 volunteers, undertaking reception and administration duties, legal research and invaluable data entry. We really appreciate the support of colleagues in providing the volunteers with a holistic experience of Cumbria Law Centre. They contribute more than 5,000 hours to the Centre each year and 2021/22 was no different. In the past 12 months, six volunteers have moved into a variety of full and part-time employment. One volunteer was successful in gaining employment as a full time paralegal at a firm of solicitors. The feedback from the solicitors practice was that volunteering and taking part in the Law Student's Project at Cumbria Law Centre gives a good grounding to those who are wanting to enter the field of Law. Consequently, we have had a substantial influx of new volunteers over the past 12 months, which has given us new energy and enthusiasm as we continue to welcome and assist those in the greatest need in the local community. Volunteers play an integral part in the greeting of clients to Cumbria Law Centre and all areas of CLC life. Their commitment is humbling and truly inspirational. Thank you to all volunteers, both past and present.

Accounts

CUMBRIA LAW CENTRE
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CUMBRIA LAW CENTRE
(A company limited by guarantee)

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CUMBRIA LAW CENTRE
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

V A Lewis, Vice Chair
J Masson, Chair
J R Nicol
J Hunston, Treasurer
L E Rutherford
S Watson
K Lockney

Company registered number
02524320

Charity registered number
1004114

Registered office
8 Spencer Street
Carlisle
Cumbria
CA1 1BG

Senior management team
Pete Moran, Centre Manager

Accountants
Full Circle Accountancy Limited
Chartered Accountants
The Office
Mardale Road
Penrith
CA11 9EH

Bankers
Clydesdale Bank
82 English Street
Carlisle
Cumbria
CA3 8HP

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their Annual Report together with the financial statements of the charity for the 1 April 2020 to 31 March 2021. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015). The Trustees (who are also directors of the charity for the purposes of the Companies Act) confirm that the Annual Report and financial statements of the charity comply with current statutory requirements and the requirements of the charity's governing document.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

POLICIES AND OBJECTIVES

The Law Centre is established for the following purposes:

- (i) to afford those without or lacking access to advice, information or education the ability and opportunity to protect and defend their legal rights and entitlements and to obtain redress for wrongs they have suffered
- (ii) the advancement of education amongst persons resident or working in the benefit area.
- (iii) the advancement of such other charitable purposes as are beneficial to the persons resident or working in the benefit area.

Our purpose is to provide free, easily accessible legal services to local people. Our emphasis is on combating poverty, oppression and social exclusion.

We hope, through the use of legal means, to achieve social change for the better.

MAIN OBJECTIVES FOR THE YEAR WERE:

Budget

- Set and achieve a budget that includes a £15k operating surplus.

Fundraising

- Achieve funding for building upgrade
- Lead on at least one new BLF fund
- 30-year anniversary fundraising events including individual giving

Governance

- Review of centre management structure/performance and future planning including geographical expansion
- Ensure Manco membership at safe levels and complete succession planning
- Significant AGM event to mark 30 years

Other

- Grow partnership with other LCs' such as Newcastle to share/swap contracted work and develop funding and support activities
- Grow participation with LCN

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIES FOR ACHIEVING OBJECTIVES

The Law Centre currently serves the residents of Carlisle, Eden, Allerdale and Copeland. As a Law Centre, our emphasis is on tackling difficulties of poverty and oppression, and we make a priority of addressing the needs of those who cannot access legal help from private solicitors, and those who find it difficult for other reasons of exclusion to access services.

We deliver our core initial legal advice in three ways:

- Telephone advice line (01228 515129) open to any resident of Carlisle, Allerdale, Copeland and Eden for advice on any weekday morning. We receive up to 30 new queries every day.
(Please note that methods of delivering this service were greatly affected by COVID - see details in report below)
- Drop-in advice clinic in Carlisle most mornings (again affected by COVID).
- Working in partnership with organisations such as Eden Housing Association including appointments at their premises and home visits. Home visits have grown as a key way of accessing vulnerable clients.

We conduct in-depth casework to a specialist level in the following areas of law: housing, employment, welfare benefits, debt. Our casework activity is funded chiefly through our contract with the Legal Aid Agency.

Achievements and performance

REVIEW OF ACTIVITIES

The Law Centre continues to face a number of very significant challenges. Across the voluntary sector we see many of the same sorts of issues threatening the work of large and small organisations, despite being long established in their communities. These challenges were of course greatly exacerbated by the effects of Covid and the responses to the pandemic including lockdowns etc. Additionally, the whole mix of work that we would normally do changed and, although there were some real benefits for our clients (such as in the ban on evictions), the effect on legal aid income etc was severe and continues to be. This was mitigated by funds made available through the Community Justice Fund and the law centre made the best possible use of that opportunity. Despite all of the above difficulties, we have performed well against our objectives and even gone on to open up new areas of work. Here is a summary of our achievements against the main objectives listed above:

Our performance against objectives:

Budget

Set and achieve a budget that includes a £15k operating surplus

Fully achieved – through prudent management of both income and expenditure we finished with a surplus of a little over £30k, though we already know that the next two years will be much tougher and will include the setting of only breakeven budgets

Fundraising

Achieve funding for building upgrade

Not achieved – given that our staff group was absent from the building for much of the year due to lockdowns, it simply wasn't practical for us to liaise with contractors etc to put together the necessary proposal for funders. This will roll into the next year and the whole project is likely to take 2-3 years from now to complete.

Lead on at least one BLF fund

Partially achieved – we were involved in but in the end didn't lead on one new BLF bid. This was for work to replace the previous Connect project with Mind and the bid was successful and will bring in funding during 2021/22

30-year anniversary fundraising events including individual giving

Not achieved – the anniversary fell right in the lockdown period and it was impossible to create the physically attended event we had hoped. In terms of individual giving, we supported the Law Centres Network 50th Anniversary fund and have benefited from the joint fundraising done there.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Governance

Review of centre management structure/performance and future planning including geographical expansion

Partially achieved – again, Covid interfered with a full review of the service, but we did review our geographical areas. A full review will take place during 2022/23 in conjunction with the new Business Plan.

Ensure Manco membership at safe levels and complete succession planning

Partially achieved – Manco membership has been preserved and at time of writing new members are being added. Work is also being done to define roles of Vice-Chairs and to help with the installation of new people into key roles. Further recruitment is required but a great deal of work has been done by the current office holders to help with succession planning and we are very grateful to those who have stepped forward to take on duties next year.

Significant AGM event to mark 30 years

Not achieved – see above re Covid restrictions and in-person events during 2020.

Other

Grow partnerships with other LCs such as Newcastle to share/swap contracted work and develop funding and support activities

Partially achieved – we have worked with Newcastle LC on a number of cases in which they have provided immigration advice to people with who we were working on benefits or housing issues. We continue to work in partnership with Allerdale Citizens Advice to support people in Allerdale in housing matters including representation at court.

Grow participation with LCN

Fully achieved – Pete Moran undertook work as a spokesperson for LCN helping with potential funders and press in order to support the 50th Anniversary fundraising drive by LCN. He also attended weekly video-based managers' meetings throughout the year in which law centres helped each other and worked with LCN to navigate the worst of the Covid-related challenges.

In conclusion

Whilst all years are challenging for small charities like ours, neither we nor many others have witnessed a year like 2020/21 before. As the previous reporting year came to a close, staff were sitting in an away day at Lanercost Priory. The intended agenda, thinking about the challenges of meeting our clients legal advice needs in the year ahead, was largely scrapped in order for the group to think together about the impending arrival of Covid to UK shores. Of course, it was here already by March 2020. Indeed, as the day progressed, what still seemed an almost unthinkable scenario – a major epidemic of a serious and novel virus – arrived in no uncertain terms. By the end of that very day, two local schools had begun to send students home as a result of positive tests and that evening, we had dinner together as a team for what would be the last time for almost two years and watched the Prime Minister on television giving a grave speech in which he announced early deaths from Covid and warned that they would be the first of many. It was a dark day.

We had resolved in discussions that day to take what action we reasonably could to move our service to one which we would manage IF we had to work from home or if large numbers of our team became ill or were isolating. These things have become the new norm, but on that day it felt unreal. However, we moved quickly and, in the event, only just in time to get laptops and printers for everyone and to set them up on a good VPN so that they would work as normally as possible from home. No sooner was the bulk of that work done than we found ourselves mandated to be at home; the first lockdown began and with it a reporting year like no other.

We are pleased to say that a number of initiatives taken by Government helped our client group enormously and problems in relation to earned and benefit income were greatly ameliorated by the policies enacted and, at the same time, much greater protections for tenants and homeless people were also brought in. This meant that, in the short term, our main challenge become not how to meet demand from clients in crisis, but how to survive financially without the legal aid income that we would normally get from housing work. This represented a very serious hole in our budgeted income for the year.

The latter was potentially helped by the announcement from Government of a fund, The Community Justice Fund, designed to offset some of those issues and to allow providers like ourselves to continue and to adapt to changing

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

demand. We were successful in a substantial bid and we worked closely with Law Centres Network to help communicate the problems facing us to the Ministry of Justice and other funders. This money was also filtered through the Law Centres Network and Access to Justice Foundation and turned out to be a vital contribution to centres like ours. We are very grateful for the understanding of the Ministry of Justice on this matter and for the work of the Law Centres Network and Access to Justice Foundation in making those funds accessible.

We also gained some extra support from Esmée Fairbairn Foundation and were very grateful for continued contributions from Indigo Trust and Cumbria Community Foundation. Those foundations all showed huge flexibility in terms of both use of funds and reporting and we greatly appreciate their sensitivity and pragmatism at this time.

Local authorities continued to be supportive and we thank Copeland, Allerdale and Carlisle Councils for their thoughtful support, both financially and as partners. We also appreciate a small grant made by Cumbria County Council to support some work in Eden during this period.

The year was difficult psychologically, practically and financially. But, on finances at least, we managed to finish the year with a small surplus, indeed a bigger one than we had planned. However, it should be noted that part of the reason for that was the loss of an excellent solicitor, Christina Ward, during the early part of 2021. We were not able to replace her expertise during that financial year. Christina brought much to the centre as a worker, staff rep and colleague and we all wish her well in her new job in local government to which she will bring much.

In May 2021, we also said a fond farewell to Annette Oxley who had served the centre so well for over ten years as Office Manager. She was an incredibly effective worker who brought huge and varied expertise and experience to the centre and we will all miss her both professionally and personally. We all extend our sincere thanks for the contributions she made – contributions recently marked by Law Centres Network by way of a special award. We all wish her a happy and healthy (and well earned) retirement.

All in all though, we should be pleased that we maintained our key business practices and procedures, passed our first remote Lexcel audit with flying colours and continued to meet emergency demand from clients using novel approaches and considerable flexibility. We were disappointed not to be able to celebrate our 30th anniversary with a large and social AGM but we still plan to hold such a celebration, belatedly, when conditions improve.

For now, let me take the opportunity to sincerely thank the staff team and volunteers who all continued to contribute to the centres and its clients in such difficult circumstances and also to my colleagues in the Management Committee who also adapted quickly to new technology and ways of working and have continued to provide guidance and wisdom working hard for the centre.

At the time of writing, we continue to grapple with funding and the challenges of providing both remote and face to face services in difficult conditions. But we are doing well and we remain a vital source of help for those in financial or social crisis – and, most often both together.

Carlisle City Council
Allerdale Borough Council
Copeland Borough Council
Esmée Fairbairn Foundation
The Big Lottery (and Carlisle and Eden Mind)
Cumbria Community Foundation
Indigo Trust
Eden Housing Association
Community Justice Fund (Access to Justice Foundation and Law Centres Network)
Cumbria County Council

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Financial review

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

RESERVES POLICY

In order to enable the uninterrupted service of the charity, free reserves equivalent to three months' of the total unrestricted expenditure should be maintained. If the level of free reserves should fall below this level, the trustees and management committee will be informed at the first available meeting and action shall be decided upon to obviate any risk to service.

At the year end, there are insufficient free reserves to meet the target reserves of three months operating expenditure. The trustees are aware of this shortfall in reserves and aim to restore the required level as soon as possible but realise that this will not be achieved in the short term. Improved working practices have resulted in improved income from the Legal Aid Agency; however the Trustees continue to seek additional sources of income to restore the reserves position.

PRINCIPAL FUNDING

The Law Centre's chief sources of income are the Legal Aid Agency, Eden Housing Association and the local authorities, Carlisle City Council, Allerdale Borough Council and Copeland Borough Council. The Management Committee are grateful to all three local authorities for their continuing support for the Law Centre's vital work. In this financial year the Law Centre has also benefited from funds received from Indigo Trust and The Big Lottery as well as Cumbria Community Foundation.

In order to sustain all of the Law Centre's activities, additional funding is required, and the current business plan contemplates successful bids for new funding over the next few years. We continue to work hard to find alternative sources to help us continue as much of our provision as possible.

MATERIAL INVESTMENTS POLICY

Cumbria Law Centre operates in accordance with the powers detailed within its Memorandum and Articles of Association.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

CONSTITUTION

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 20 July 1990. The Memorandum and Articles of Association comprise the governing document.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under the Law Centre's Articles of Association the Trustees are known as the management committee. The committee is re-elected each year at the Annual General Meeting. The Law Centre seeks to ensure that its management committee is representative of the communities that it serves.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Law Centre recognises the need for its management committee members to be familiar with the work of the organisation. The Law Centre runs an annual Staff and Trustee training day and arranges other in-house training to meet identified needs. Trustees are also encouraged to attend external training to develop their skills and to keep their knowledge current. An annual budget is set aside for Trustees' training.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

There shall not be fewer than five, nor more than thirteen members of the Trustees (management committee). Following the amendments to the Constitution made in 2014, Trustees are no longer drawn from particular organisations but are chosen from the community on their own merits following open recruitment.

RELATED PARTY RELATIONSHIPS

There are none to declare.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The major risk to which the charity is exposed is the financial risk of lack of committed long term core funding. While the charity is funded by the Legal Aid Agency (formerly the Legal Services Commission), or by service level agreements with local authorities, the provision of services is always dependent upon the goodwill and continued support of these bodies. The trustees have been active in ensuring that the requirements of the ongoing Legal Aid Agency contracts have been met by staff. This has been a key piece of work during this period.

In order to mitigate the risk, the management committee through the Head of Centre seeks to meet all contract and agreement targets, and to negotiate continued realistic funding, which will allow service provision and the Law Centre to meet its constitutional objectives.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' INDEMNITIES

The charity has insurance that provides an indemnity for a trustee against any liability in connection with any negligence, default, breach of duty or breach of trust by them relation to the charity.

Plans for future periods

FUTURE DEVELOPMENTS

MAIN OBJECTIVES FOR THE YEAR AHEAD

Service Delivery

1. Continue with Covid-safe business practices in changing conditions.
2. Succeed in attaining new Legal Aid housing contract if and when tendered.
3. Develop our funded housing work in areas such as injunctions.
4. Retain delivery of employment law and develop charging for services potential.
5. Retain our cooperation with Eden Housing Association.
6. Continue work on upgrades and redecoration of our building – Lottery bid.
7. Ensure compliance with Lexcel Standards.

Finance/Funding

1. Set and achieve a budget which represents breakeven performance over the years 2021-22.
2. Enhance fundraising capabilities either by working with fundraisers or recruiting development worker.
3. Find one new major funder of £50k per annum or more.
4. Protect our local authority funding where possible and prepare for implications of Unitary Authority.

Personnel/Recruitment

1. Recruit new solicitor / caseworker in housing.
2. Recruit new solicitor / caseworker in employment
3. Successfully recruit to replace retiring office manager.
4. Manco development - review and recruit as necessary for future stability.

Outreach

1. Event to mark 30-year anniversary – missed due to lockdowns in 2020
2. Further develop links with commercial practices to enhance our services and sharing of supervision etc.
3. Enhance CLC's membership programme.

MEMBERS' LIABILITY

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Cumbria Law Centre 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charities SORP;
- 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Trustees, on 20 December 2021 and signed on their behalf by:

J Hunston, Treasurer

CUMBRIA LAW CENTRE
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CUMBRIA LAW CENTRE (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2021.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Dated: 20 December 2021

Jonathan Miller FCA DChA

FULL CIRCLE ACCOUNTANCY LIMITED
Chartered Accountants

CUMBRIA LAW CENTRE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE
ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	93,599	-	93,599	1,615
Charitable activities	3	214,209	80,000	294,209	389,068
Investments	4	76	-	76	262
TOTAL INCOME		307,884	80,000	387,884	390,945
EXPENDITURE ON:					
Charitable activities	7	334,484	19,962	354,446	393,192
TOTAL EXPENDITURE	8	334,484	19,962	354,446	393,192
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(26,600)	60,038	33,438	(2,247)
NET MOVEMENT IN FUNDS		(26,600)	60,038	33,438	(2,247)
RECONCILIATION OF FUNDS:					
Total funds brought forward		83,030	11,592	94,622	96,869
TOTAL FUNDS CARRIED FORWARD		56,430	71,630	128,060	94,622

The notes on pages 13 to 23 form part of these financial statements.

CUMBRIA LAW CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 02524320

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	12		15,700		17,426
CURRENT ASSETS					
Debtors	13	9,817		4,126	
Cash at bank and in hand		116,776		176,129	
		<u>126,593</u>		<u>180,255</u>	
CREDITORS: amounts falling due within one year	14	(14,233)		(103,059)	
NET CURRENT ASSETS			<u>112,360</u>		<u>77,196</u>
NET ASSETS			<u>128,060</u>		<u>94,622</u>
CHARITY FUNDS					
Restricted funds	15		71,630		11,592
Unrestricted funds	15		56,430		83,030
TOTAL FUNDS			<u>128,060</u>		<u>94,622</u>

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the Trustees on 20 December 2021 and signed on their behalf, by:

J Hunston, Treasurer

The notes on pages 13 to 23 form part of these financial statements.

CUMBRIA LAW CENTRE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

I. ACCOUNTING POLICIES

I.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Law Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

I.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

I.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

I. ACCOUNTING POLICIES (continued)

I.4 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	10% reducing balance
Fixtures and fittings	-	20% reducing balance and 20% straight line
Property improvements	-	17% reducing balance

I.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

I.6 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

I.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

I.8 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

I.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

I.10 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES (continued)

1.11 Corporation Tax

The charity is exempt from corporation tax on its charitable activities.

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.13 Valued added tax

The charity is registered for VAT. Expenditure is shown net of VAT where a reclaim of VAT is allowed under the terms of the registration.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	620	-	620	1,615
Grants	81,800	-	81,800	-
Government grants	11,179	-	11,179	-
Total donations and legacies	93,599	-	93,599	1,615
Total 2020	1,615	-	1,615	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Legal Services	39,083	-	39,083	78,107
Grants	175,126	80,000	255,126	310,961
	214,209	80,000	294,209	389,068
Total 2020	267,707	121,361	389,068	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Grants received

	2021 £	2020 £
Carlisle City Council	75,100	105,100
Allerdale Borough Council	19,500	19,500
Copeland Borough Council	15,000	15,000
Eden Housing Association	30,000	60,000
Carlisle and Eden Mind	15,526	11,361
Esmee Fairbairn Trust	25,000	50,000
Cumbria County Council	5,000	-
Cumbria Community Foundation	20,000	-
The Indigo Trust	50,000	50,000
Total	255,126	310,961

4. INVESTMENT INCOME

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	76	-	76	262
Total 2020	262	-	262	

5. DIRECT COSTS

	Legal Services £	Total 2021 £	Total 2020 £
Premises expenses	3,390	3,390	3,903
Computer costs	307	307	4,247
Travel and subsistence	-	-	3,302
Legal and professional	10,912	10,912	22,118
Equipment leasing	7,031	7,031	6,937
Sundry	1,103	1,103	3,214
Training	2,041	2,041	1,432
Wages and salaries	269,082	269,082	280,630
National insurance	20,421	20,421	22,342
Pension cost	13,389	13,389	13,928
Depreciation	3,229	3,229	3,279
	330,905	330,905	365,332
Total 2020	365,332	365,332	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

6. SUPPORT COSTS

	Legal Services £	Total 2021 £	Total 2020 £
Telephone	4,686	4,686	3,615
Computer costs	1,512	1,512	643
Printing postage stationery	4,680	4,680	6,016
Legal and professional	1,023	1,023	-
Repairs and maintenance	3,652	3,652	2,506
Sundry	679	679	5,377
Insurances	5,607	5,607	7,765
	<u>21,839</u>	<u>21,839</u>	<u>25,922</u>
<i>Total 2020</i>	<u>25,922</u>	<u>25,922</u>	

During the year ended 31 March 2021, the charity incurred the following Governance costs:

£NIL (2020 -£NIL) included within the table above in respect of .

£NIL (2020 -£NIL) included within the table above in respect of .

7. GOVERNANCE COSTS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Accountancy	1,700	-	1,700	1,820
Bank charges	2	-	2	118
	<u>1,702</u>	<u>-</u>	<u>1,702</u>	<u>1,938</u>

8. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2021 £	Other costs 2021 £	Total 2021 £	Total 2020 £
Legal Services	302,892	49,852	352,744	391,254
Expenditure on governance	-	1,702	1,702	1,938
	<u>302,892</u>	<u>51,554</u>	<u>354,446</u>	<u>393,192</u>
<i>Total 2020</i>	<u>316,900</u>	<u>76,292</u>	<u>393,192</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	3,229	3,279
Pension costs	13,389	13,928
	=====	=====

During the year, no Trustees received any remuneration (2020 -£NIL).

During the year, no Trustees received any benefits in kind (2020 -£NIL).

During the year, no Trustees received any reimbursement of expenses (2020 -£NIL).

10. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £1,200 (2020 - £1,000).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	269,082	280,630
Social security costs	20,421	22,342
Other pension costs	13,389	13,928
	<u>302,892</u>	<u>316,900</u>

The average number of persons employed by the charity during the year was as follows:

	2021 No.	2020 No.
Charitable staff	9	10
Support staff	2	3
	<u>11</u>	<u>13</u>

No employee received remuneration amounting to more than £60,000 in either year.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Property improvements £	Total £
Cost					
At 1 April 2020	81,310	43,054	15,498	21,020	160,882
Additions	-	1,503	-	-	1,503
At 31 March 2021	<u>81,310</u>	<u>44,557</u>	<u>15,498</u>	<u>21,020</u>	<u>162,385</u>
Depreciation					
At 1 April 2020	72,763	41,374	9,076	20,243	143,456
Charge for the year	855	637	1,605	132	3,229
At 31 March 2021	<u>73,618</u>	<u>42,011</u>	<u>10,681</u>	<u>20,375</u>	<u>146,685</u>
Net book value					
At 31 March 2021	<u>7,692</u>	<u>2,546</u>	<u>4,817</u>	<u>645</u>	<u>15,700</u>
At 31 March 2020	<u>8,547</u>	<u>1,680</u>	<u>6,422</u>	<u>777</u>	<u>17,426</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

13. DEBTORS

	2021 £	2020 £
Trade debtors	3,018	-
Prepayments and accrued income	6,799	4,126
	<u>9,817</u>	<u>4,126</u>

14. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,824	10,578
Other taxation and social security	5,521	10,623
Other creditors	3,688	5,558
Accruals and deferred income	1,200	76,300
	<u>14,233</u>	<u>103,059</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General Fund	83,030	307,884	(334,484)	56,430
Restricted funds				
Restricted funds	11,592	80,000	(19,962)	71,630
Total of funds	94,622	387,884	(354,446)	128,060

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
General funds				
General Fund	79,429	269,584	(265,983)	83,030
Restricted funds				
Restricted funds	17,440	121,361	(127,209)	11,592
Total of funds	96,869	390,945	(393,192)	94,622

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
General funds	83,030	307,884	(334,484)	56,430
Restricted funds	11,592	80,000	(19,962)	71,630
	94,622	387,884	(354,446)	128,060

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
General funds	79,429	269,584	(265,983)	83,030
Restricted funds	17,440	121,361	(127,209)	11,592
	<u>96,869</u>	<u>390,945</u>	<u>(393,192)</u>	<u>94,622</u>

CUMBRIA LAW CENTRE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	15,700	-	15,700
Current assets	51,275	75,318	126,593
Creditors due within one year	(10,545)	(3,688)	(14,233)
	<u>56,430</u>	<u>71,630</u>	<u>128,060</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	17,426	-	17,426
Current assets	164,975	15,280	180,255
Creditors due within one year	(99,371)	(3,688)	(103,059)
	<u>83,030</u>	<u>11,592</u>	<u>94,622</u>

17. OPERATING LEASE COMMITMENTS

At 31 March 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts payable:		
Between 1 and 5 years	<u>22,000</u>	<u>23,600</u>

18. VOLUNTEERS

We would like to acknowledge the work of all of those who volunteer for the centre. This includes my fellow Management Committee members but also, of course, the many who give their time to provide help with reception duties and all kinds of clerical work. They also undertake research and other specific projects and all in all contribute to the centre to at least the value of a full time role. It is likely that we would need to at least raise a further £20,000-£30,000 each year to cover the work done by our volunteers. As well as those who primarily do staff reception, we also have groups of students both from sixth forms and universities who come to learn about social welfare law. We continue to receive excellent feedback from them despite the restrictions placed on us during this period. That is testament to the hard and imaginative work of our volunteer coordinator, Fiona McCrum. Sincere thanks go to her.