

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales · Charity number 1087312

Details

Other names COVENTRY LAW CENTRE LTD

Status Registered

Legal form Charitable company

Company number [04149673](#)

Registered 2001-07-03

Register [View on the Charity Commission register](#)

Contact

Address Kirby House
16 Little Park Street
Coventry

Phone 02476223053

Email enquiries@centralenglandlc.org.uk

Website www.centralenglandlc.org.uk

Activities

Objects: THE RELIEF OF FINANCIAL HARDSHIP AND OTHER FORMS OF DISTRESS THROUGH THE PROVISION OF LEGAL AND OTHER ADVISORY REPRESENTATION AND INFORMATION SERVICES IN CENTRAL ENGLAND TO PEOPLE WHO COULD NOT OTHERWISE OBTAIN THEM THROUGH LACK OF MEANS. THE ADVANCEMENT OF EDUCATION OF THE PUBLIC BY THE IMPROVEMENT AND DIFFUSION OF KNOWLEDGE OF THE LAW AND THE PRACTICE OF THE LAW AND THE ADMINISTRATION OF JUSTICE, HAVING REGARD ESPECIALLY TO THOSE AREAS OF THE LAW WHICH ARE OF PARTICULAR CONCERN TO POOR PEOPLE OR ARE DIRECTED TO THE RELIEF OF POVERTY. TO PROMOTE SUCH OTHER CHARITABLE PURPOSES AS ARE FOR THE BENEFIT OF THE PEOPLE OF CENTRAL ENGLAND.

Activities: We offer specialist advice, representation and advocacy, and our aim is to use the law to seek change, so that those facing poverty or disadvantage, discrimination or exclusion are better able to take a full and active part in society.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** The Prevention Or Relief Of Poverty
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** CITY OF COVENTRY
- Birmingham City
- Coventry City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,231,273	£3,670,430	£3,056,317	87
2024-03-31	£3,624,055	£3,399,006	£2,495,474	69
2023-03-31	£2,730,294	£3,031,109	£2,270,425	69
2022-03-31	£3,573,899	£3,469,009	£2,059,240	68
2021-03-31	£3,756,529	£3,469,263	£1,579,350	67

Trustees

Name	Role	Appointed
Dr Sarah Raistrick	Chair	2022-11-29
Christopher King		2020-01-28
Councillor Linda Bigham		2024-09-24
Deborah Moss		2024-06-25
Graham Moffat LLB MA		2014-05-28
Henry Whitney		2024-06-25
Mohammed Abdul Qadir		2024-06-25
Thomas Bannister		2022-01-25

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales - Charity number 1087312

Accounts

Company number: 4149673
Charity number: 1087312

Central England Law Centre Limited

Report and financial statements
For the year ended 31 March 2025

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For the year ended 31 March 2025

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Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2025

Company number 4149673
Country of incorporation United Kingdom

Charity number 1087312
Country of registration England & Wales

**Registered office
and operational address** Kirby House
16 Little Park Street
Coventry
CV1 2JZ

Trustees The trustees (also directors under company law) who served during the year and up to the date of this report were as follows:

Dr S Raistrick	Chair
K Wilding	(Deceased 17 June 2024)
G Moffatt	Vice Chair
C King	
T Bannister	
Councillor A Jobbar	
D Moss	(Appointed 25 June 2024)
H Whitney	(Appointed 25 June 2024)
M Qadir	(Appointed 30 July 2024)
Councillor L Bigham	(Appointed 24 September 2024)

Key management Personnel	E Hill	(Chief Executive)
	P O'Donnell	(Director of Finance)
	C Stern	(Deputy Chief Executive)
	L Nash	(Head of Legal Casework and Compliance)

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill,
West Malling
ME19 4JQ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
London, EC1Y 0TG

The trustees (also known as directors) present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The charity's purposes as set out in the objects contained in the company's Memorandum of Association is:

- i) The relief of financial hardship and other forms of distress among the people of Central England and others through the provision of legal and other advisory, representation and information services which they could not otherwise obtain through lack of means;
- ii) The advancement of education of the public by the improvement and diffusion of knowledge of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty;
- iii) To promote such other charitable purposes as are for the benefit of the people of Central England.

We deliver our charitable purpose through our organisational strategy which sets out our vision, mission and aims:

Our Vision:

A fairer, more just society

Our Mission:

Embed rights in our communities to reduce inequalities, challenge unfair systems and advance social justice through specialist legal advice and education.

Our Aims:

1. More people will know their rights and have access to justice leading to greater prosperity for individuals who are marginalised and disadvantaged.
2. The social action and social justice work of organisations, practitioners and activists becomes more effective in enhancing legal capabilities of local communities and delivery of services

3. Through better coordinated, more effective action on shared priorities with our communities, we will work with policy makers to improve policy and systems, and their application and effect change to the law where needed.

Ensuring our work delivers our aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Trustees paid due regard to the guidance issued by the Charities Commission in relation to public benefit in deciding that all activity undertaken by the charity must be in support of strengthening and expanding its capacity to make people aware of their rights, to provide legal advice and representation and to improve its ability to reach the most vulnerable individuals and communities.

The focus of our work

Our rights in the community strategy focusses¹ on harnessing the combined power of our work with people, partners and policy makers to have the biggest impact for our community.

We provide a comprehensive service to meet our objectives: encompassing casework, representation, legal education, and rights-awareness raising, as well as working with partners to influence service delivery and knowledge of people's rights and activities to influence national and local policy.

We offer free advice and representation in the following areas of law:

- Employment and Discrimination
- Family
- Health and Social Care
- Immigration and Asylum
- Housing
- Welfare Benefits
- Public Law

We primarily advise residents of Coventry and Birmingham and those who work in the city with some reach into the neighbouring districts and the wider West Midlands areas. We hold legal aid contracts in housing, community care, family, asylum, discrimination, and public law.

As well as delivering our core legal advice and representation services, during 2024–5 we have had a focus on 5 key themes for strategic change work that we identified through trends in our casework and discussion with partners.

- Preventing homelessness and inadequate access to housing
- Discrimination
- Improving awareness of Immigration status and consequential rights for migrants

¹www.centralenglandlc.org.uk/vision-and-strategy

- Positive Action on Poverty
- Access to Justice

These ongoing efforts demonstrate the organisation's commitment to addressing a wide range of legal and social issues, ensuring that vulnerable and marginalised groups receive the support and advocacy they need.

How our activities deliver public benefit

We work within a context of profound social and economic inequality, where many individuals struggle to meet basic needs and access their fundamental rights. Chronic underfunding of essential public services—including housing, social care, and welfare—has left many communities underserved. A hostile political climate towards migrants and people not working and regressive policies disproportionately affect vulnerable groups, pushing people further into crisis. Restrictions on legal aid compound these issues by denying access to justice, reinforcing systemic inequality and entrenched power imbalances.

We are committed to making legal services accessible to those who are vulnerable, disadvantaged, and socially excluded. We focus on addressing high levels of need within the communities we serve, ensuring that support reaches those most affected by poverty, discrimination, and marginalisation. High levels of inequality and poverty prevail in both Coventry and Birmingham:

Coventry²

- **Child poverty:** 23.7% overall; rising to **53%** in St Michael's ward (Vs national average of 15.3%)
- **Fuel poverty:** 18% of households (vs. national average of 13.5%)
- **Multiple deprivation:** 14.4% of children
- **Long-term health issues:** 17.7% of children
- **Worklessness:** 17.3% of households have no working-age residents (vs. 13.3% nationally)
- **Average income per head:** £17,772 (vs. £23,338 nationally)

Birmingham³

- **Third most deprived core city in the UK**
- **Most deprived in income and employment**
- **Recent migration:** 44% of residents have lived in the UK for less than 10 years
- **Language barriers:** Higher than average number of residents who speak little or no English
- **Deprivation concentration:** 43% of residents and 51% of children live in the 10% most deprived areas in England
- **Income deprivation (60+):** 26%

² [Facts about Coventry | Coventry City Council](#)

³ <https://cityobservatory.birmingham.gov.uk>

- **Disability and health:** 15% have a long-term condition or disability that limits daily activity

These statistics underscore the urgent need for accessible, responsive services in Coventry and Birmingham. We work in close partnership with other agencies and community organisations to reach individuals in the most deprived areas, including those with physical or mental health challenges. We prioritise cases involving discrimination and systemic injustice.

Who used and benefit from our services?

During 2024/25 we responded to over 10,000 enquiries for legal advice across our two offices. We provided 4,000 people with legal advice and/or representation to resolve their issues and provided signposting information to a further 4,400 people. Total enquiries to the Law Centre rose by 15% this year, following a 10% increase last year. Many clients presented with complex, overlapping legal issues, requiring support from multiple legal teams. Due to limited resources, we were unable to assist 1,903 people—18% of all enquiries—in areas of social welfare law.

20% of clients who disclosed their disability status reported themselves as disabled, 74% of clients who disclosed their employment status were not in employment, 95% of clients who disclosed their housing status did not own their own home and 68% of clients who disclosed their ethnicity were from an ethnically marginalised community.

Delivering against our strategic aims – key highlights for 2024–25

Aim 1: More people will know their rights and have access to justice leading to greater prosperity for individuals who are marginalised and disadvantaged.

Legal Advice and Representation Outcomes (2024/25)

During the reporting period, the organisation delivered specialist legal services that resulted in significant outcomes for clients:

- Secured **£5.1 million** in annualised and backdated financial gains through:
 - Recovery of missed benefit entitlements
 - Successful challenges to benefit refusals
 - Negotiated settlement agreements with employers
- Provided immigration support to **over 700 individuals**, enabling resolution of their immigration status
- Protected **292 victims of domestic abuse** through legal interventions
- Delivered specialist employment law advice to **302 individuals**
- Provided housing legal advice to **664 clients**, with **173 individuals** successfully prevented from eviction
- Represented **103 clients** in family court dispute resolution hearings at first hearing stage

Initiatives to Broaden Access to Legal Support

A pilot programme was introduced to strengthen initial client engagement across phone, online, and in-person channels. This included:

- Implementation of an in-depth triage questionnaire
- Development of an improved signposting guide
- Provision of one-to-one support for **322 individuals** who would not otherwise have accessed legal advice. Many of these clients were eligible for legal advocacy but could not be referred to internal legal teams due to capacity constraints, nor to alternative legal aid providers, which are either unavailable locally or operating at full capacity.

We are committed to investing in the next generation of social welfare legal practitioners and are **supporting 11 trainee solicitors** over 2 years to complete their legal training with us.

Proactive work to tackle poverty

In collaboration with Coventry City Council and with support from Coventry Building Society we continued targeted work to support families affected by the benefit cap:

- Triaged **78 families**
- Provided casework support to **35 families** identified as potentially eligible for exemption
- **15 families** successfully had the cap removed, resulting in:
 - **£242,991** in confirmed annualised income gains
 - An estimated additional income gain of **£390,000** projected

E-Visa Support Project

Following the Home Office's rollout of the digital eVisa scheme in April 2024, the organisation launched a dedicated support project for individuals facing digital and language barriers. The project:

- Assisted **182 clients** in accessing their eVisa documentation
- Enabled clients to prove their right to work, rent, and access public services

Service Expansion in Birmingham

In response to increasing demand, the organisation expanded its legal services in Birmingham:

- Strengthened the housing legal team to address the growing volume of housing and homelessness enquiries, which now represent 20% of Birmingham-based enquiries
- Increased outreach activities in East Birmingham, including:
 - Benefit sanctions support delivered in foodbanks
 - *Activating Rights* community engagement project
 - Housing advice sessions held at accessible community locations

Aim 2: The social action and social justice work of organisations, practitioners and activists becomes more effective in enhancing legal capabilities of local communities and delivery of services

We have a long history of partnerships with voluntary and statutory sectors, providing training, outreach, and support to identify missing legal rights and entitlements as well as support with signposting and self-help materials, and creating pathways together for specialist advice. This year we continued to deliver the following key partnership projects:

- **Health Justice Partnership:** With Citizens Advice, Coventry Independent Advice Service and Coventry and Warwickshire ICB and local Primary Care Networks to identify unmet welfare benefit entitlements and other social welfare legal needs and reduce GP use by patients.
- **Birmingham Women's Support NRPF (No Recourse to Public Funds) Network:** With Women's Aid, Red Cross, Refugee and Migrant Centre and Baobab to improve services and support for women with NRPF in Birmingham, reducing the time to access benefits and independence from abusive partners.
- **Family Duty Scheme at Coventry Family Court:** With CAFCASS and Coventry Family Court improving court efficiency and increasing the number of cases listed per day.
- **Coventry Women's Partnership** (with 4 specialist women organisations) providing holistic and joined up services to marginalised women.
- **Universal Credit Sanctions Project:** With the Public Law Project and local foodbanks, exploring potential discrimination and bias in the universal credit sanctions system.
- **Migrant Rights in the Community Project (MRIC):** With Our Coventry partners providing outreach, training, and raising awareness about migrant rights to help migrants access services and support.
- **Kids in Need of Defence UK:** With KIND US, Islington Law Centre, Coram Children's Legal Centre, Just Rights Scotland, Greater Manchester Immigration Aid Unit and 30 private law firms to deliver citizenship application casework for undocumented children.
- **Legal advice clinics:** With Coventry, Warwick and Birmingham City University providing volunteering opportunities for students and to extend our capacity to provide free advice.

We delivered training to 44 organisations reaching 900 staff on issues such as: UC Migration impact, domestic violence and immigration rules, social care rights and employment rights. We increased community partners referring to us from 100 to 140 organisations and services. We created Public Legal Education materials e.g. a briefing for partner organisations on Care Sponsorship Visas.

We established new partnerships (regular engagement, outreach and referral pathways established) in Birmingham including with Karis, St Germain's Wellbeing Hub, Springfield Project, Muath Trust, The Outpost (Druids Heath), The Hub (Bromford), Narthex Foodbanks, Acorn, Shelter, People for People CIC, and Spring Housing. In Coventry we deepened our connections with Carriers of Hope and Kairos providing onsite support. We established a new link up with WATCH in

Hillfields developed together with an energy outreach initiative that identified alongside fuel issues people had unmet legal needs around housing, family, and benefits.

These efforts highlight CELC's commitment to addressing legal and social issues through collaboration, training, and targeted support.

Aim 3: Through better coordinated, more effective action on shared priorities with our communities, we will work with policy makers to improve policy and systems, and their application and effect change to the law where needed.

We have completed Public Law work aligned with our themes including challenging exploitation in the care sponsorship visa scheme, challenging unlawful benefit sanctions decisions, ensuring S17 support for families in Coventry is based on welfare standards following our successful case last year, closures of residential care homes in Birmingham and the powers of S114 commissioners in Birmingham.

We undertook projects in partnership with Warwick University to look at rights of residents in regeneration areas in Coventry and Birmingham and a disability discrimination project with local partners to understand more the issues partners and their clients are facing. Each project produced a briefing for CELC staff to support casework and support responses to consultations and calls for evidence.

This year we have **responded to 25 local and national policy consultations** including:

- o Public Accounts Committee: Immigration – Skilled Worker Visa Inquiry
- o Legal Aid Authority Review of LASPO Domestic Violence evidence for family legal aid applications – which involved evidence provided through an in-person interview with Head of Family.
- o Proposed reduction of Coventry Council's Tax Support Scheme and a reduction in Community Support Grant, that we stated would have negatively impacted on the most marginalised in our community. No reductions were taken forward after the consultation.
- o The Administrative Justice Council's Call for Evidence on the impact of Digitalisation on Disadvantaged Users groups.
- o Equality and Human Rights commission's consultation on the Equality Acts code of practice.

We published "Understanding Local Legal Needs: Early Intervention and The Ecosystem of Legal Support"⁴ with Warwick University and AdviceNow providing insights into legal need in Coventry and the role of trusted intermediaries that we will use to sustain and improve our offer regionally and influence national policy development.

⁴ [Understanding local legal needs - Early intervention and the ecosystem of legal support | Central England Law Centre Limited \(Main Site \)](#)

We continued to work with our local authorities to improve their policies and practices for the most disadvantaged e.g. we identified people had lost Council Tax Support during migration to Universal Credit. This resulted in a default on a claimant's council tax payment plan and the automatic issuing of an annual bill for more than £1000 to people who had no way of paying it. . We worked with the Head of Benefits at Coventry City Council to resolve the issue.

We deepened national partnerships and benefited from new influencing opportunities, including:

- Director of Policy and Strategic Justice appointed to the Administrative Justice Council
- Invited speaker at Legal Services Consumer Panel conference on the power of collaborating with Local Authorities,
- Chaired a panel for Public Law Project's annual conference on influencing local government as part of a series of webinars on influencing law and policy.
- Presented at the Barings Foundation residential on Community Based Legal Strategies and provided mentoring to 3 other law centres Suffolk, Vauxhall, and Derbyshire in developing their approach to community by working in a hub model.

These efforts demonstrate the organisation's commitment to influencing policy and improving access to justice for marginalized communities.

Financial review

Financial stability

The charity has continued to grow and move forward positively with an overall net increase in unrestricted funds of £291,622. Significant contributions were the reversal of a dilapidations provision on leaving the previous property, (£98,000) and a legacy from former chair Keith Wilding (£160,000). Without these contributions there would have been a small excess for the year. Continued support from Coventry City Council, as well as an expansion in the range of funders provided strong foundations on which to continue to develop. We have also increased Legal Aid income in comparison to the previous year.

Costs for the organisation during the period have risen, reflecting greater capacity and volumes of work, the continued inflationary economic environment and additional expenses incurred in moving to and improvements made to new premises. This caused both staff costs and overheads to increase at a greater rate in comparison to recent years.

Principal sources of funding

Coventry City Council continues to represent an important source of funding for the charity. Following a review of funding for Advice Services in Coventry, CELC was successful in a competitive tender for a grant to deliver specialist legal advice from October 2024 for 2 years. This funding is critical to enable us to reach those who are most vulnerable and socially excluded; as well as providing free advice and casework for people on low incomes in areas of law that are out of scope for legal aid.

Trustees' annual report

For the year ended 31 March 2025

Fees paid by the Legal Aid Agency (LAA) for work undertaken for clients who are eligible for legal aid is another key source of funding. This covers approximately 40% of the casework undertaken. Trustees continue to set a target to increase legal aid funding in line with their strategy to increase the financial strength of the organisation which was successfully met this year.

Increased demand for our services and the limited scope of Legal Aid funding requires us to have a mixed model of funding. The charity has continued to attract funding from trusts and foundations and other organisations.

Key funders this year were Esmée Fairbairn Foundation, The Legal Education Foundation, The Oak Foundation, Paul Hamlyn Foundation, Coventry Building Society, the Access to Justice Foundation, the Smallwood Trust, the Lloyds bank Foundation and Coventry and Warwickshire Integrated Care Board. We continue to grow our funding from local universities, medium term agreements being in place with Birmingham City University, University of Warwick and Coventry University.

The remainder of our funding is short term and project-based. Bids for this type of funding have been successful, and the charity has seen an increase in the number of its funders, as well as a significant overall increase in its funds. This approach is underpinned by our organisational strategy that provides a framework to allow applications for unrestricted funding.

General funds have decreased over the year following the un-designation of funds put aside to cover expenses incurred in moving premises, the release of some of the dilapidations provision, the designation of more funds against the Work In Progress fund and the creation of the Keith Wilding Solicitors Training Fund. Fund levels are continually reviewed in detail with regard to the future development needs of the organisation and the subsequent allocation of reserves. However, they continue to remain at a level above the range Trustees have approved in the reserves policy below based on guidance outlined by the Charity Commission.

Fundraising

The charity received £6,132 from unrestricted donations and a legacy from former chair, Keith Wilding of £160,000. The Trustees would like to acknowledge their appreciation of Keith's generous gesture in remembering the Law Centre in his will. The charity's main funding sources are grants and contracts. The charity does not employ professional fundraisers and does not seek to fundraise from the general public. No complaints concerning fundraising were received in the year.

Public Benefit

The trustees have considered the Charity Commission's requirement in respect of Public Benefit. In their view the charity meets, in full, the criteria to satisfy the test. The trustees' annual report has described earlier in this report the activities undertaken to further its charitable purposes for the public benefit.

Principal risks and uncertainties

The Board of Trustees routinely reviews the major risks to which the charity is exposed, and a risk register has been established. This is reviewed at least twice a year along with a review of performance against the business plan. The Risk Register has been developed in line with Charity Commission guidance and the requirements of LEXCEL, the Law Society legal practice quality mark for client care, compliance and practice management. It includes an assessment of risk across the areas of Governance, Strategy, Operations, Compliance, Fraud and Dishonesty, Finance, Competence and Conflict, and Confidentiality. Each risk is assessed by impact and likelihood and given an overall risk rating. The actions that are being taken to mitigate, transfer, reduce or avoid the risk are detailed along with the internal resources to support the actions.

The most significant risks to the charity are reduction or loss of contracts from the Legal Aid Agency or the charity's other main core funders. The Legal Aid contract is very closely managed, with significant emphasis on contract compliance and ensuring that income targets are met.

While Coventry City Council continues to place a high priority on funding for advice services in the city, in 2024 they moved to a competitive tendering process for their grants in this area. While we have been successful in securing a grant under this tender to deliver specialist legal advice services, it is only for a relatively short period of 2 years, including a break clause earlier if the funding situation for Coventry City Council changes and if certain parts of the specification are not met to the satisfaction of the funder. Trustees are also mindful that Coventry City Council is under significant financial pressure and considerable effort is being expended in ensuring that its elected members place high value on our service.

The charity also has a strategy of bidding for funding from other sources. This has been successful, and the charity has secured funding from new funders in the period as well as continued funding from existing funders. This approach is underpinned over the next five years by work to implement the organisational strategy, providing a framework to attract unrestricted funding. Trustees are also mindful that existing funders may change strategic direction so alongside this a fundraising strategy including prospecting for new funders has been developed in 2024–25 to support sustainability and growth in our corporate and trusts funds.

Reserves policy and going concern

The trustees review the charity's need for reserves in line with the guidance issued by the Charity Commission and have developed a risk-based reserves policy. The policy is reviewed annually or more frequently if there is a material change to the assessment of risk. The objective of the policy is to strengthen CELC's financial resilience whilst avoiding holding funds unnecessarily. Restricted fund balances are utilised only in accordance with the funders objectives and are not available for the charity's general use. The trustees allocate to designated funds within the free reserves to provide for future probable expenditure and liabilities.

Trustees' annual report

For the year ended 31 March 2025

Restricted fund balances at the balance sheet date amount to £644K; these are utilised only in accordance with the funders' stated objectives and are not available for the charity's general use. The trustees have allocated £1,826k to designated funds to provide for future expenditure and liabilities to leave a general fund balance £586K. The current general fund reserves target as approved by the Board of Trustees is £455K. This is based on an assessment of the risks to CELC and the finances required to ensure the charity can carry on its activities, after allocation to designated funds, in the event of unplanned changes to its financial circumstances.

The risk factors that have been taken into account include:

- Reliance on Coventry City Council as a key funder and that this is now limited to 2 years funding
- The short-term nature of many current funding agreements.
- CELC's ability to reduce costs without having an impact on income streams; and
- The level of unrestricted reserves held as work-in-progress (representing Legal Aid casework in process) which are funds that are not readily available in liquid form.
- The long-term projections of income (As per the "Three Year Plan" budget) currently indicate greater uncertainty renewing current funding and raising new sources of revenue.
- The political climate, at both the local and national levels, could jeopardize future funding.
- Legal Aid eligibility has narrowed, leaving many clients without access to assistance for their legal issues.
- Civil Legal Aid rates have been frozen since 1996, leading to a significant decrease in their real-term value due to inflation.

The level of free reserves currently exceeds the target set by Trustees. Trustees have reviewed the reserves position and plans have been put in place to reduce this balance by:

- increasing expenditure on the development and volume of charitable services,
- making designations in respect of moving and refurbishment costs associated with the office move for Coventry and premises improvements in Birmingham on agreement of a new lease
- Making provision for the charity to continue a workforce development programme and
- In addition, some of the funds held have been received in the current year but are committed against expenditure to be incurred in the following year inflating the value of the fund balances.
- To uphold the level of service to clients and the community, it is foreseen that a deficit budget will be set in the immediate to the long-term leading to a reduction in excess fund balances.

The appropriate designated funds will be utilised at the discretion of the management and Trustees to facilitate the plans outlined above.

The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future (That being 12 months from the date of signing this report) and have therefore, used the going concern basis in preparing these financial statements.

This is based on the following assessment:

- The 2024–25 financial statements show CELC general funds of 585K which is in excess of the approved reserves target as outlined above.
- The balance sheet shows net assets of £3,056K.
- In March 2025 the trustees approved the budget for 2025–26 showing a deficit of £48K. The restricted funds were predicted to have matched income and expenditure, therefore unrestricted funds will record a deficit of £48K. This falls within the current loss tolerance.
- The three-year plan approved by trustees, including risk-based scenario planning such as cuts in grant funding and an increase in staff costs forecasts a decrease in the general funds over that time, especially in the final year. It is assumed over the three year period new sources of project funding and core funding will be successfully applied for, these are not currently included in the plan cashflows.
- The latest cashflow forecast (September 2025) indicates a balance of £733K at the month end October 2026.
- Investment policy

The trustees are empowered by the Articles of Association to invest the charity's money as they see fit and make their decisions with reference to the Charity Commission's guidance.

Plans for the future

The charity plans continuing the activities outlined above subject to satisfactory funding arrangements and recruiting and retaining qualified and experienced staff. This year we will be seeking to develop and maintain partnerships and funders that recognise the links between legal issues, poverty and health and inequalities and deepen our work on Health Justice Partnerships. We will start a new phase of work with Coventry Women's Partnership focussing on system change in the housing and homeless sector for women in Coventry. We will undertake organisational development pieces including refining our processes for dealing with enquiries and managing demand and implementing a new CRM and associated data collection systems to enable us to use data to target our resources and demonstrate our impact better. We will develop a programme of activities to celebrate 50 years of the Law Centre and help secure support for another 50 years.

Structure, governance and management

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The directors of the company are also known as trustees for the purposes of charity law. All trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

Organisational structure

Central England Law Centre Ltd has a Board of up to 10 trustees who meet regularly at monthly board meetings, informal sub-committee meetings and by attendance at trustee away days. The trustee board are responsible for the strategic direction and policies of the charity. Elayne Hill, the Company Secretary and Chief Executive, attends all meetings of the Board but is not a board member.

Responsibility for the provision of services and for the delivery of the business plan is delegated to the Chief Executive. The charity operations are guided by policies which are approved by the trustees, and which provide a framework for the day to day running of all aspects of the organisation.

Responsibility for professional conduct and for meeting Solicitors Regulation Authority requirements is delegated to Lydia Nash, Solicitor and Head of Legal Casework and Compliance.

The charity employs 87 staff (as of 31st March 2025), of whom 64 are engaged in the direct provision of services.

Volunteers provide invaluable support to our work across both our offices. 200 students from local universities in the region supported the delivery of legal advice clinics last year and volunteer solicitors and barristers acting in a pro bono capacity from over 45 law firms and chambers supported our employment advice helpline and the Kids in Need of Defense UK collaboration.

The Law Centre holds the Lexcel Quality Mark, covering each of the areas of law in which it offers advice and representation. This provides a structure for the delivery of advice and representation and sets standards for training of staff and for supervision of these services, which is delegated to each of the team supervisors.

Appointment of trustees

The Articles of Association state and require that trustees should retire every three years and may then stand for re-election. Dr. S. Raistrick's term of office is due to expire in the period up to and including the date of the AGM, November 2025. This being known, Dr S. Raistrick was re-elected at the last AGM in February 2025.

The nature of the work of the charity means it is important to maintain a skill mix amongst the trustees which includes knowledge and understanding of legal advice and representation, as well as an understanding of the issues relating to social exclusion and the specific social welfare needs of the population in the area in which the charity operates.

The charity has been successful in attracting several people with experience in legal advice and representation, as well as representatives from the local authority and trustees with experience of equality issues. Business and finance skills are also well represented within the trustee body, with one trustee being qualified accountant and others having experience of running their own businesses.

Potential new trustees are given a 'job description' and person specification for the role and are invited to submit an application and to attend an interview with the Chair, and the Chief Executive.

Trustee induction and training

New trustees attend the Centre for a brief introduction to the work of the charity. They are provided with an information pack which covers:

- Their obligations as trustees;
- Memorandum and Articles of Association;
- Previous year's annual report and accounts; and
- Current year's business plan.

Training sessions continue to focus on the work undertaken by the organisation, allowing trustees to have more contact with staff and to gain an insight into the issues they face. In addition, where necessary, training takes place as part of the monthly meetings to ensure that issues being discussed are fully understood by trustees.

The Board undertakes an annual self-evaluation of its effectiveness. This enables identification of any skill gaps, and of the training needs of the Board. From this, an annual training plan is drawn up. In addition, the effectiveness of working arrangements and information reporting is reviewed, and changes made where necessary.

Related parties and relationships with other organisations

Central England Law Centre is a member of the Law Centres' Network. This is the national body which sets the framework for the operation of Law Centres, and membership is obligatory for any organisation which wants to operate as a Law Centre. Lydia Nash, Director of Legal Casework and Compliance served on the Management Committee of Law Centres Network in 2024–25.

The Law Centre works in partnership with other organisations where this assists in delivering our strategic plan. We particularly seek partners to support us in achieving our goal of reaching clients who most need our services and who may be hard to reach, and where the partner organisation offers complementary services that improve the overall effectiveness of our specialist legal advice. Examples of partner projects and partners are listed in the How we deliver public benefit part of the Trustees annual report above.

Remuneration policy for key management personnel

The remuneration policy for all personnel with the exception of the Chief Executive is determined by a salary scale which is reviewed for potential cost of living increases annually by trustees. Trustees may review the scale itself from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries individually when they set the budget at the start of the year.

The salary for the Chief Executive was assessed by reference to market rates in comparable organisations when the post holder was appointed. It has been reviewed for inflation in line with other salaries in the organisation.

Statement of responsibilities of the trustees

The trustees (who are also directors of Central England Law Centre Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Trustees' annual report

For the year ended 31 March 2025

governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2025 was 9 (2024: 6). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 28 October 2025 and signed on their behalf by

Dr Sarah Raistrick
Chair

Independent auditor's report

To the members of

Central England Law Centre Limited

Opinion

We have audited the financial statements of Central England Law Centre Limited (the 'charitable company') For the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as of 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Central England Law Centre Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the

Independent auditor's report

To the members of

Central England Law Centre Limited

financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

02 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Restricted £	2025 Total £	Restated Unrestricted £	Restated Restricted £	2024 Total £
Income from:							
Donations and legacies	2	166,132	600	166,732	7,284	600	7,884
Charitable activities							
Legal and other advisory services	3	1,364,676	2,629,445	3,994,121	1,106,357	2,230,980	3,337,337
Investments		46,772	–	46,772	41,671	–	41,671
Other		23,648	–	23,648	237,163	–	237,163
Total income		1,601,228	2,630,045	4,231,273	1,392,475	2,231,580	3,624,055
Expenditure on:							
Charitable activities	4						
Legal and other advisory services		1,309,606	2,360,824	3,670,430	1,226,666	2,172,340	3,399,006
Total expenditure		1,309,606	2,360,824	3,670,430	1,226,666	2,172,340	3,399,006
Net income for the year	6	291,622	269,221	560,843	165,809	59,240	225,049
Transfers between funds	18	–	–	–	(100,011)	100,011	–
Net movement in funds		291,622	269,221	560,843	65,798	159,251	225,049
Reconciliation of funds:							
Total funds brought forward		2,120,558	374,916	2,495,474	2,054,760	215,665	2,270,425
Total funds carried forward		2,412,180	644,137	3,056,317	2,120,558	374,916	2,495,474

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18a to the financial statements.

Balance sheet

Company no. 04149673

As at 31 March 2025

	Note	£	2025 £	<i>Restated</i> £	2024 £
Fixed assets:					
Tangible assets	11		–		–
Current assets:					
Work in progress	12	1,187,311		1,123,766	
Debtors	13	1,745,850		1,378,114	
Cash at bank and in hand		1,102,267		945,586	
		4,035,428		3,447,466	
Liabilities:					
Creditors: amounts falling due within one year	14	(879,111)		(773,992)	
Provisions for liabilities and charges	16	(100,000)		(178,000)	
Net current assets			3,056,317		2,495,474
Total net assets			3,056,317		2,495,474
The funds of the charity:	18a				
Restricted income funds			644,137		374,916
Unrestricted income funds:					
Designated funds		1,826,458		1,328,891	
General funds		585,722		791,667	
Total unrestricted funds			2,412,180		2,120,558
Total charity funds			3,056,317		2,495,474

See note 16 for details of the restatement.

Approved by the trustees on 28 October 2025 and signed on their behalf by

Dr Sarah Raistrick
Chair

Central England Law Centre Limited

Statement of cash flows

For the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities	19				
Net cash provided by/(used in) operating activities		109,909		(149,753)	
Cash flows from investing activities:					
Interest received		46,772		41,671	
Net cash provided by investing activities		46,772		41,671	
Change in cash and cash equivalents in the year		156,681		(108,082)	
Cash and cash equivalents at the beginning of the year		945,586		1,053,668	
Cash and cash equivalents at the end of the year	20	1,102,267		945,586	

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies

a) Statutory information

Central England Law Centre Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Oakwood House, St Patrick's Road Entrance, Coventry, CV1 2HL.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Critical estimates and judgements

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

In August 2024 the charity moved premises on the cessation of the lease. In previous years a provision was made against the estimated share of dilapidation costs with the head tenant that would be incurred in returning the premises to their original condition. This provision has been partly reversed as it is assumed that the risk of incurring such a dilapidations charge is much diminished. A new provision has been created to provide for future dilapidation costs at Kirby House, these would be incurred in returning the premises to their original condition.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Amounts receivable under contracts for legal services are scheduled on an accruals basis. Income reflects the fair value of services provided on each assignment, including expenses and disbursements.

Income received in excess of time recorded (inter partes costs) is recognised when the amounts have been agreed by third parties.

Unbilled income is shown as work in progress and is valued on an hourly rate as determined by the Legal Aid Agency. Unbilled disbursements expended are shown as debtors.

Other income is included when receivable.

g) 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing legal and other advisory services
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies (continued)

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer equipment	3 years
● Office equipment	5 years
● Property improvements	5 years

m) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Client accounts

As part of working practices the charity holds third party funds in separate designated bank accounts. These funds are not assets of the charity and are not accounted for in these financial statements.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

q) 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.

r) Pensions

Retirement benefits to employees of the charity are now provided solely by Scottish Widows (a defined contribution scheme).

2 Income from donations and legacies

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Legacy from Keith Wilding	160,000	–	160,000	–	–	–
Crispin Passmore Consulting Ltd	–	–	–	5,066	–	5,066
Other Donations	6,132	600	6,732	2,218	600	2,818
	<u>166,132</u>	<u>600</u>	<u>166,732</u>	<u>7,284</u>	<u>600</u>	<u>7,884</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the financial statements

For the year ended 31 March 2025

3 Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	Restated Unrestricted £	Restated Restricted £	2024 Total £
Coventry City Council – Provision of General Welfare, Benefit and Debt Advice	–	462,363	462,363	–	439,726	439,726
The Oak Foundation–Core Support–Housing Rights	–	225,000	225,000	–	96,000	96,000
The Legal Education Foundation–Rights in the Community	100,000	–	100,000	100,000	–	100,000
Esmee Fairbairn Foundation– Core Costs to Support Activating Rights in the Community.	100,000	–	100,000	100,000	–	100,000
Paul Hamlyn Foundation–Rights in the Community Support	–	33,000	33,000	–	33,000	33,000
Access to Justice Foundation–Improving Lives Through Advice	–	100,000	100,000	–	100,000	100,000
Legal Aid Agency–Contract Income	780,098	–	780,098	558,226	–	558,226
Coventry University–Provision of Law Clinics	88,008	–	88,008	86,316	–	86,316
University of Warwick–Provision of Law Clinics	99,984	–	99,984	95,583	–	95,583
Birmingham City University– Provision of Law Clinics	160,942	–	160,942	143,753	–	143,753
Access Your Right To Care–Enabling Social Care Recipients Access to Justice	35,644	–	35,644	22,479	–	22,479
Access to Justice Foundation – Improving Outcomes Through Legal Support	–	123,171	123,171	–	75,733	75,733
Access to Justice Foundation – Support for solicitors	–	4,000	4,000	–	–	–
Allen & Overy Foundation–Support for Volunteers	–	10,000	10,000	–	10,000	10,000
Anchor Centre–Legal Advice to Clients	–	6,762	6,762	–	9,016	9,016
Birmingham City Council – Asylum, Migration & Integration Fund	–	–	–	–	7,759	7,759
Birmingham Voluntary Services Council–Improving Outcomes for Inclusion Health Groups	–	–	–	–	10,000	10,000
City of Wolverhampton – Unaccompanied Asylum Seeking Children	–	12,869	12,869	–	37,500	37,500
Coventry & Warwickshire Integrated Care Board–Health Justice Partnership–Welfare Advisors in G.P.Practices	–	398,592	398,592	–	359,460	359,460
Coventry Building Society – Cost of Living Fund	–	10,000	10,000	–	10,000	10,000
Coventry Building Society – Homelessness Prevention Project	–	47,866	47,866	–	41,832	41,832
Coventry Building Society – Intensive Support	–	48,536	48,536	–	61,213	61,213
Coventry Building Society – Mental Health	–	28,433	28,433	–	39,354	39,354
Coventry Building Society – Welfare Benefits Cap	–	23,896	23,896	–	9,559	9,559
Coventry City Council – E.U.Settled Status Complex Cases Project	–	–	–	–	8,086	8,086
Coventry City Council – Migrant Rights in the Community– Advocacy,Advice and Guidance Support	–	91,110	91,110	–	68,633	68,633
Coventry City Council–Test & Learn–Advice to Homeless	–	22,443	22,443	–	–	–
Heart of England–Activating Rights–Benefits Advice	–	24,637	24,637	–	–	–
Home Office–E.U. Settled Status Complex Case Support	–	33,249	33,249	–	37,619	37,619
Home Office–Evisa Client Support	–	19,539	19,539	–	–	–
Kids in Need of Defense						
AB Charitable Trust	–	48,000	48,000	–	40,000	40,000
Barrow Cadbury	–	25,000	25,000	–	25,000	25,000
City Bridge Foundation	–	95,334	95,334	–	92,667	92,667
Trust for London	–	51,345	51,345	–	50,135	50,135
Other funding	–	404,412	404,412	–	341,554	341,554
Legal Aid Agency – Trainee Solicitors Support	–	39,038	39,038	–	17,559	17,559
Lloyds Bank Foundation – Sanctions Project	–	81,972	81,972	–	11,546	11,546
National Lottery – Action for Housing Project	–	–	–	–	67,522	67,522
NHS Innovation Fund – Enhanced Legal Support Project	–	2,400	2,400	–	14,402	14,402
Nuffield Foundation – Legal Needs Research	–	20,224	20,224	–	8,721	8,721
Smallwood Trust–Birmingham No Recourse to Public Funds						
Women's Support Network	–	36,840	36,840	–	36,840	36,840
Smallwood Trust – Improving Financial Security of Women	–	57,275	57,275	–	54,547	54,547
The Legal Education Foundation – Justice First Fellowships	–	42,139	42,139	–	5,000	5,000
Voluntary Action Coventry – Independent Health Complaints Advocacy	–	–	–	–	10,997	10,997
Total income from charitable activities	1,364,676	2,629,445	3,994,121	1,106,357	2,230,980	3,337,337

See note 18 for details of the restatement.

Notes to the financial statements

For the year ended 31 March 2025

4a Analysis of expenditure (current year)

	Charitable activities £	Governance costs £	Support costs £	2025 Total £	2024 Total £
Staff costs (Note 7)	2,007,247	–	731,218	2,738,465	2,440,598
Insurance	17,916	375	–	18,291	17,079
Publications	2,464	–	–	2,464	2,392
Subscriptions	21,510	–	–	21,510	20,960
Courses	35,482	–	–	35,482	26,216
Disbursements	20,728	–	–	20,728	5,532
Communications	17,318	–	–	17,318	14,608
Premises costs	–	–	153,597	153,597	130,537
Other costs	–	–	217,879	217,879	198,906
Depreciation and sundry equipment	–	–	24,358	24,358	44,852
Printing, postage and stationery	–	–	17,278	17,278	16,571
Travel	–	–	4,827	4,827	3,099
Bank charges	–	–	588	588	676
Grant funded activities	358,944	–	–	358,944	459,849
Client payments	–	–	–	–	250
Audit	–	17,634	–	17,634	16,881
Office move	–	–	99,067	99,067	–
Reversal of provision for liabilities and charges	–	–	(78,000)	(78,000)	–
	2,481,609	18,009	1,170,812	3,670,430	3,399,006
Support costs	1,170,812	–	(1,170,812)	–	–
Governance costs	18,009	(18,009)	–	–	–
Legal and other advisory services 2025	3,670,430	–	–	3,670,430	
Legal and other advisory services 2024	3,399,006	–	–		3,399,006

Grant funded activities is expenditure specific to projects. This includes £307,331 (Note 5a) (2024: £338,982 (Note 5b)) we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2025

4b Analysis of expenditure (prior year)

	Charitable activities £	Governance costs £	Support costs £	2024 Total £
Staff costs (Note 7)	1,772,353	–	668,245	2,440,598
Insurance	16,704	375	–	17,079
Publications	2,392	–	–	2,392
Subscriptions	20,960	–	–	20,960
Courses	26,216	–	–	26,216
Disbursements	5,532	–	–	5,532
Communications	14,608	–	–	14,608
Premises costs	–	–	130,537	130,537
Other costs	–	–	198,906	198,906
Depreciation and sundry equipment	–	–	44,852	44,852
Printing, postage and stationery	–	–	16,571	16,571
Travel	–	–	3,099	3,099
Bank charges	–	–	676	676
Grant funded activities	459,849	–	–	459,849
Client payments	250	–	–	250
Audit	–	16,881	–	16,881
	<u>2,318,864</u>	<u>17,256</u>	<u>1,062,886</u>	<u>3,399,006</u>
Support costs	1,062,886	–	(1,062,886)	–
Governance costs	17,256	(17,256)	–	–
Legal and other advisory services 2024	<u>3,399,006</u>	<u>–</u>	<u>–</u>	<u>3,399,006</u>

Grant funded activities is expenditure specific to projects. This includes £338,982 we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2025

5a Grant making (current year)

	Grants £	2025 £
Project		
Kids In Need of Defense	244,186	244,186
Health Justice Partnership	27,682	27,682
Lloyds Bank Sanctions	35,463	35,463
At the end of the year	307,331	307,331

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2025 £
Payments were made to organisations for activities as below:	
Islington Law Centre	122,460
Coram Children's Legal Centre	79,112
JustRight Scotland	17,886
Greater Manchester Immigration Aid Unit	24,728
Coventry Independent Advice Service	21,053
Citizens Advice Nuneaton & Bedworth	6,629
The Public Law Project	35,463
At the end of the year	307,331

5b Grant making (prior year)

	Grants £	2024 £
Project		
Kids In Need of Defense	315,467	315,467
Health Justice Partnership	23,515	23,515
At the end of the year	338,982	338,982

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2024 £
Payments were made to organisations for activities as below:	
Islington Law Centre	158,711
Coram Children's Legal Centre	102,503
JustRight Scotland	22,389
Greater Manchester Immigration Aid Unit	31,864
Coventry Citizens Advice	10,405
Coventry Independent Advice Service	13,110
At the end of the year	338,982

6 Net income for the year

This is stated after charging:

	2025 £	2024 £
Depreciation	-	-
Professional Indemnity Insurance	5,282	4,746
Operating lease rentals:		
Property	84,327	62,116
Other	4,399	4,586
Auditor's remuneration (excluding VAT):		
Audit	17,600	16,750

Notes to the financial statements

For the year ended 31 March 2025

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	2,412,158	2,152,196
Redundancy and termination costs	23,392	-
Social security costs	220,862	197,629
Employer's contribution to defined contribution pension schemes	78,114	85,352
Recruitment costs	3,939	6,121
	2,738,465	2,441,298

The redundancy and termination costs were settled.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£60,000 – £69,999	1	1

Key management personnel include the Trustees, the Chief Executive Officer, the Deputy Chief Executive Officer, the Director of Finance & IT and the Director of Legal Casework & Compliance. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £207,419 (2024: £202,625).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

No trustee received any remuneration in either year. No trustee expenses were paid for by the charity in the year (2024: £nil for 0 trustees).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 87 (2024: 79).

Staff are split across the activities of the charitable company as follows :

	2025 No.	2024 No.
Support staff	23	21
Legal and advisory staff	64	58
	87	79

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Aggregate donations from related parties were £nil (2024: £nil).

Councillor Abdul Jobbar is a member of Coventry City Council.

As Cllr Jobbar does not have significant control over decisions regarding funding for the Law Centre made by Coventry City Council, the Trustees have not included any details of funding under related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property improvements	Computer equipment	Office equipment	Total
	£	£	£	£
Cost				
At the start of the year	66,902	69,568	23,724	160,194
Disposals	(66,902)	(69,568)	(23,724)	(160,194)
At the end of the year	–	–	–	–
Depreciation				
At the start of the year	66,902	69,568	23,724	160,194
Charge for the year	–	–	–	–
Disposals	(66,902)	(69,568)	(23,724)	(66,902)
At the end of the year	–	–	–	–
Net book value				
At the end of the year	–	–	–	–
At the start of the year	–	–	–	–

All of the above assets were used for charitable purposes.

12 Work in progress

	2025 £	2024 £
Legal work performed but unbilled at year end	1,187,311	1,123,766
	1,187,311	1,123,766

13 Debtors

	2025 £	2024 £
Trade debtors	370,331	–
Other debtors including disbursements	1,166,175	925,973
VAT	17,898	26,898
Prepayments	47,465	27,232
Accrued income	143,981	398,011
	1,745,850	1,378,114

14 Creditors: amounts falling due within one year

	2025 £	<i>Restated</i> 2024 £
Trade creditors	520,156	417,413
Taxation and social security	48,579	46,104
Other creditors	18,300	–
Pension creditor	16,036	14,465
Accruals	61,153	73,599
Deferred income	214,887	222,411
	879,111	773,992

See note 16 for details of the restatement.

Notes to the financial statements

For the year ended 31 March 2025

15 Deferred income

Deferred income represents grants received relating to future periods or where the performance related conditions have not yet been met by the charity.

	2025 £	2024 £
Balance at the beginning of the year	222,411	93,936
Receipts in advance	482,421	1,713,209
Released to income in the year	(489,945)	(1,584,734)
Balance at the end of the year	<u>214,887</u>	<u>222,411</u>

16 Provisions for liabilities and charges

The provisions relate to potential dilapidations costs relating to previous and current leases held by the charity.

	2025 £	Restated 2024 £
Balance at the beginning of the year	178,000	178,000
Increase in provision during the year	20,000	-
Release of provision during the year	(98,000)	-
Balance at the end of the year	<u>100,000</u>	<u>178,000</u>

The 2024 figures have been restated to show the provision separate from the rest of creditors due within one year. It is a presentational adjustment only with no change to the amount of the provision.

The provisions in 2024 related to potential dilapidations costs relating to the charity's move in premises; this provision was partly reversed in 2024/25, with an additional provision reflecting the cost of future remedial works carried out on the new leasehold property.

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Current assets	1,349,946	1,826,458	859,024	4,035,428
Current liabilities	(664,224)	-	(214,887)	(879,111)
Provisions for liabilities and charges	(100,000)	-	-	(100,000)
Net assets at 31 March 2025	<u>585,722</u>	<u>1,826,458</u>	<u>644,137</u>	<u>3,056,317</u>

17b Analysis of net assets between funds (prior year) – restated

	Restated General unrestricted £	Designated £	Restricted £	Restated Total funds £
Tangible fixed assets	-	-	-	-
Current assets	1,521,248	1,328,891	597,327	3,447,466
Current liabilities	(551,581)	-	(222,411)	(773,992)
Provisions for liabilities and charges	(178,000)	-	-	(178,000)
Net assets at 31 March 2024	<u>791,667</u>	<u>1,328,891</u>	<u>374,916</u>	<u>2,495,474</u>

See note 16 for details of the restatement.

18a Movements in funds (current year)

	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£	£	£	£	£
Restricted funds:					
Coventry City Council – Provision of General Welfare, Benefit and Debt Advice	-	462,363	(462,363)	-	-
The Oak Foundation–Core Support–Housing Rights	-	225,000	(225,000)	-	-
Paul Hamlyn Foundation–Rights in the Community Support	-	33,000	(33,000)	-	-
Access to Justice Foundation–Improving Lives Through Advice	-	100,000	(100,000)	-	-
Subscription fund	-	600	(600)	-	-
Coventry Building Society – Homelessness Prevention Project	-	47,866	(47,866)	-	-
Coventry Building Society – Mental Health	-	28,433	(28,433)	-	-
Coventry Building Society – Intensive Support	-	48,536	(48,536)	-	-
Coventry Building Society – Welfare Benefits Cap	-	23,896	(23,896)	-	-
Coventry Building Society – Cost of Living Fund	-	10,000	(10,000)	-	-
Voluntary Action Coventry – Independent Health Complaints Advocacy	-	-	-	-	-
Anchor Centre–Legal Advice to Clients	-	6,762	(6,762)	-	-
Kids in Need of Defense	86,119	624,091	(589,910)	-	120,300
Allen & Overy Foundation–Support for Volunteers	-	10,000	(10,000)	-	-
Smallwood Trust – Improving Financial Security of Women	-	57,275	(57,275)	-	-
Smallwood Trust–Birmingham No Recourse to Public Funds Women's Support Network	-	36,840	(36,840)	-	-
Coventry City Council – Migrant Rights in the Community–Advocacy, Advice and Guidance Support	-	91,110	(91,110)	-	-
Coventry City Council–Test & Learn–Advice to Homeless	-	22,443	(22,443)	-	-
The Legal Education Foundation – Justice First Fellowships	-	42,139	(42,139)	-	-
Nuffield Foundation – Legal Needs Research	-	20,224	(20,224)	-	-
NHS Innovation Fund – Enhanced Legal Support Project	-	2,400	(2,400)	-	-
Coventry & Warwickshire Integrated Care Board–Health Justice Partnership–Welfare Advisors in G.P.Practices	288,797	398,592	(163,552)	-	523,837
City of Wolverhampton – Unaccompanied Asylum Seeking Children	-	12,869	(12,869)	-	-
Access to Justice Foundation – Improving Outcomes Through Legal Support	-	123,171	(123,171)	-	-
Access to Justice Foundation – Support for solicitors	-	4,000	(4,000)	-	-
Home Office–E.U. Settled Status Complex Case Support	-	33,249	(33,249)	-	-
Home Office–Evisa Client Support	-	19,539	(19,539)	-	-
Legal Aid Agency – Trainee Solicitors Support	-	39,038	(39,038)	-	-
Lloyds Bank Foundation – Sanctions Project	-	81,972	(81,972)	-	-
National Lottery – Action for Housing Project	-	-	-	-	-
Heart of England–Activating Rights–Benefits Advice	-	24,637	(24,637)	-	-
Total restricted funds	374,916	2,630,045	(2,360,824)	-	644,137
Unrestricted funds:					
Designated funds:					
Crispin Passmore donation	22,891	-	(8,366)	-	14,525
New premises, premises improvement fund	225,000	-	(99,067)	-	125,933
New Projects Fund	249,000	-	-	-	249,000
Work In Progress Fund	105,000	-	-	445,000	550,000
Keith Wilding Solicitors Training Fund	-	-	-	160,000	160,000
Grant Cessation Adaption Fund	352,000	-	-	-	352,000
Workforce Development Fund	375,000	-	-	-	375,000
Total designated funds	1,328,891	-	(107,433)	605,000	1,826,458
General funds	791,667	1,252,294	(853,239)	(605,000)	585,722
Coventry University	-	88,008	(88,008)	-	-
University of Warwick	-	99,984	(99,984)	-	-
Birmingham City University	-	160,942	(160,942)	-	-
Total general funds	791,667	1,601,228	(1,202,173)	(605,000)	585,722
Total unrestricted funds	2,120,558	1,601,228	(1,309,606)	-	2,412,180
Total funds	2,495,474	4,231,273	(3,670,430)	-	3,056,317

18a Movements in funds (continued)

The narrative to explain the purpose of each fund is given at the foot of the note below.

In 2019/20 £220,000 was allocated to a designated reserve for a transformation programme as agreed by the Trustees. In 2021/22 the Trustees agreed to allocate a further £50,000 to increase capacity. The funds are expected to be spent over the period April 2020 – March 2024. The purpose of the expenditure is to strengthen the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy. The costs include a Process and Change Manager, an interim management promotion and assistant support to the management team. The funds were exhausted in the year.

In 2020/21 £100,000 has been designated by the Trustees to the Kind Unbound Philanthropy Fund. Previous grants from this funder have been restricted to the furtherance of the objectives of the KIND project. Although this grant is unrestricted, the Trustees have determined that it will be solely applied to KIND. The designated funds were applied to KIND in the year to March 2023 and utilised in the year to March 2024.

The Coventry premises are occupied under a sub lease with the primary lessee of the property. It came to the attention of the Trustees in the year to March 2022 that the primary lessee was uncertain as to whether they would renew the existing lease with the landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of the dilapidations schedule was an estimated cost of £200,000 (May 2021). Therefore the Trustees decided to allocate an equivalent sum to a designated fund to provide for such an eventuality over and above any amount already written off through the SOFA as a recognised provision against such costs. A further review of dilapidation costs in view of new developments with the lease arrangements led to the de designation of the dilapidations fund in the previous year. At the time should the lease be terminated, CELC would have needed to move to new premises, either leasehold or freehold. The Trustees therefore allocated £415,000 to the Property Security Fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs. During the year to March 2024 new leasehold premises were identified and it was determined that a move to the new premises should take place in the year to 31 st March 2025. The Property Security Fund being no longer required was de-designated.

Crispin Passmore a former CEO of CELC makes a an annual donation to support the work of CELC. The Trustees have determined that these funds should be set aside for the development of trainee legal staff within CELC and as such a designated fund has been created.

New leasehold premises having been secured in Coventry and to be relocated to in the year to March 2025, the Trustees allocated funds to the New Premises Fund to cover improvements required, costs of moving and loss of income due to disruption to work during the period of the move. There is also provision for improvements at the Birmingham office, a new lease currently under negotiation. Funds have been released in the year as expenditure has been incurred.

The Trustees agreed to allocate funds to a New Projects Fund. This is to ensure that funds are available to set up a project where immediate need is identified but funding is not yet secured or to bridge gaps in funding where the project funding stream is not continuous. Such funding is required to expand the capacity of the Welfare Benefits Team to develop a hub to bring together our poverty work, which will be financed from internal resources in 2024 until external funding is successfully secured. Similarly, a project meeting the needs of survivors of domestic violence will be established in 2024 and draw upon this fund prior to securing external funding.

The Work in Progress Fund recognises that long term work in progress, over one year old with no movement on the matter in the last year is not part of the current working capital of the charity and therefore not readily available for use elsewhere within the activities of the organisation.

The Keith Wilding Solicitors Training Fund has been created from the legacy received from the former Chair. The training and development of new legal professionals was a matter of great importance to Keith and the Trustees are of the opinion that this not only recognises Keith's great contribution to the Law Centre but also promotes a cause that was very dear to him.

The accounts are drawn up on the assumption that core funding streams will continue or be replaced by similar income should they cease in the future. The Grant Cessation Adaption Fund is an amount set aside should core funding streams cease to ensure that the required changes to core costs and activities can be made in an efficient, gradual and phased manner, to best serve the needs of the organisation and its beneficiaries preventing the sudden cessation of some services.

The Workforce Development Fund represents reserves put aside to provide for the development of competitive pay and benefits, to address current staff recruitment difficulties.

The General Fund balance is that which remains after designations from unrestricted funds and represents the working capital of the charity, needed to meet monthly and quarterly outgoings

18b Movements in funds (prior year)

	At 1 April 2023	Restated Income & gains	Restated Expenditure & losses	Transfers	Restated At 31 March 2024
	£	£	£	£	£
Restricted funds:					
Coventry City Council – Provision of General Welfare, Benefit and Debt Advice	-	439,726	(439,726)	-	-
The Oak Foundation–Core Support–Housing Rights	-	96,000	(96,000)	-	-
Paul Hamlyn Foundation–Rights in the Community Support	-	33,000	(33,000)	-	-
Access to Justice Foundation–Improving Lives Through Advice	-	100,000	(100,000)	-	-
Subscription fund	-	600	(600)	-	-
Coventry Building Society – Homelessness Prevention Project	-	41,832	(41,832)	-	-
Coventry Building Society – Mental Health	-	39,354	(39,354)	-	-
Coventry Building Society – Intensive Support	-	61,213	(61,213)	-	-
Coventry Building Society – Welfare Benefits Cap	-	9,559	(9,559)	-	-
Coventry Building Society – Cost of Living Fund	-	10,000	(10,011)	11	-
Voluntary Action Coventry – Independent Health Complaints Advocacy	8,659	10,997	(19,656)	-	-
Anchor Centre–Legal Advice to Clients	-	9,016	(9,016)	-	-
Kids in Need of Defense	207,984	549,356	(771,221)	100,000	86,119
Allen & Overy Foundation–Support for Volunteers	-	10,000	(10,000)	-	-
Smallwood Trust – Improving Financial Security of Women	-	54,547	(54,547)	-	-
Smallwood Trust–Birmingham No Recourse to Public Funds Women's	-	36,840	(36,840)	-	-
Support Network	-	-	-	-	-
Coventry City Council – E.U.Settled Status Complex Cases Project	-	8,086	(8,086)	-	-
Coventry City Council – Migrant Rights in the Community–Advocacy,Advice	-	68,633	(68,633)	-	-
and Guidance Support	-	-	-	-	-
The Legal Education Foundation – Justice First Fellowships	-	5,000	(5,000)	-	-
Nuffield Foundation – Legal Needs Research	-	8,721	(8,721)	-	-
NHS Innovation Fund – Enhanced Legal Support Project	-	14,402	(14,402)	-	-
Coventry & Warwickshire Integrated Care Board–Health Justice Partnership–	(978)	359,460	(69,685)	-	288,797
Welfare Advisors in G.P.Practices	-	-	-	-	-
Birmingham City Council – Asylum, Migration & Integration Fund	-	7,759	(7,759)	-	-
City of Wolverhampton – Unaccompanied Asylum Seeking Children	-	37,500	(37,500)	-	-
Access to Justice Foundation – Improving Outcomes Through Legal Support	-	75,733	(75,733)	-	-
Home Office–E.U. Settled Status Complex Case Support	-	37,619	(37,619)	-	-
Legal Aid Agency – Trainee Solicitors Support	-	17,559	(17,559)	-	-
Lloyds Bank Foundation – Sanctions Project	-	11,546	(11,546)	-	-
National Lottery – Action for Housing Project	-	67,522	(67,522)	-	-
Birmingham Voluntary Services Council–Improving Outcomes for Inclusion	-	-	-	-	-
Health Groups	-	10,000	(10,000)	-	-
Total restricted funds	215,665	2,231,580	(2,172,340)	100,011	374,916
Unrestricted funds:					
Designated funds:					
Transformation fund	77,452	-	(73,833)	(3,619)	-
Kind Unbound Philanthropy Fund	100,000	-	-	(100,000)	-
Crispin Passmore donation	28,780	5,066	(10,955)	-	22,891
Property Security Fund	415,000	-	-	(415,000)	-
New premises, premises improvement fund	-	-	-	225,000	225,000
New Projects Fund	-	-	-	249,000	249,000
Work In Progress Fund	-	-	-	105,000	105,000
Grant Cessation Adaption Fund	-	-	-	352,000	352,000
Workforce Development Fund	-	-	-	375,000	375,000
Total designated funds	621,232	5,066	(84,788)	787,381	1,328,891
General funds	1,433,528	1,061,757	(816,226)	(887,392)	791,667
Coventry University	-	86,316	(86,316)	-	-
University of Warwick	-	95,583	(95,583)	-	-
Birmingham City University	-	143,753	(143,753)	-	-
Total general funds	1,433,528	1,387,409	(1,141,878)	(887,392)	791,667
Total unrestricted funds	2,054,760	1,392,475	(1,226,666)	(100,011)	2,120,558
Total funds	2,270,425	3,624,055	(3,399,006)	-	2,495,474

The 2024 figures have been restated. Specifically, income originally classified as restricted for 'Access Your Right To Care' is now categorised as unrestricted. Conversely, the income received from the Paul Hamlyn Foundation, which was initially unrestricted, has been reclassified as restricted.

The narrative to explain the purpose of each fund is given at the foot of the note below.

18b Movements in funds (continued)

Purposes of restricted funds

Access to Justice Foundation–Improving Lives Through Advice	Core costs to support the delivery of free legal advice to marginalised people and communities.
Access to Justice Foundation – Improving Outcomes Through Legal Support	To sustain and improve access to early social welfare and family legal support and advice to enable users to resolve their problems as early as possible and avoid the need for court and tribunal processes where possible.
Access to Justice Foundation – Support for solicitors	To support training and development of trainee solicitors.
Allen & Overy Foundation–Support for Volunteers	A contribution to supporting student pro bono clinics.
Anchor Centre–Legal Advice to Clients	Advice and casework for people that are homeless or insecurely housed.
Birmingham City Council – Asylum, Migration & Integration Fund	Foundations of Integration project. To improve provisions to support Third Country Nationals (TCNs) in accessing information, advice and guidance to further their integration and contributing to the development of an online portal.
Birmingham Voluntary Services Council–Improving Outcomes for Inclusion Health Groups	To support improved health and care outcomes Birmingham's most vulnerable citizens in inclusion health groups with a focus on new migrants, refugees and asylum seekers.
City of Wolverhampton – Unaccompanied Asylum Seeking Children	To provide immigration advice to social workers in 14 local authorities supporting Unaccompanied Asylum Seeking Children.
Coventry & Warwickshire Integrated Care Board–Health Justice Partnership–Welfare Advisors in G.P.Practices	Provision of proactive and early social welfare advice to NHS primary care patients in the Coventry and Warwickshire Area.
Coventry Building Society – Cost of Living Fund	Support to help those impacted by the Cost of Living crisis.
Coventry Building Society – Homelessness Prevention Project	Funding for housing advice to prevent Homelessness.
Coventry Building Society – Intensive Support	Providing intensive support to people facing housing issues.
Coventry Building Society – Mental Health	Providing support to people with mental health issues facing housing issues to maintain tenancies and improve housing situation.
Coventry Building Society – Welfare Benefits Cap	Providing welfare benefits advice and casework to people facing benefit cap.
Coventry City Council – E.U.Settled Status Complex Cases Project	Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.
Coventry City Council – Provision of General Welfare, Benefit and Debt Advice	To provide social welfare legal casework for people in Coventry.
Coventry City Council – Migrant Rights in the Community–Advocacy,Advice and Guidance Support	To provide outreach services and advice to community organisations and immigrants to raise awareness legal rights and access to related services.
Coventry City Council–Test & Learn–Advice to Homeless	Providing immigration advice to homeless clients
Heart of England–Activating Rights–Benefits Advice	Providing welfare benefits advice at community locations in Birmingham
Home Office–E.U. Settled Status Complex Case Support	Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.
Home Office–Evisa Client Support	Providing clients with support to set-up and access their eVisa
Kids in Need of Defense	Working with a consortium to provide pro bono service for children to receive immigration advice.
Legal Aid Agency – Trainee Solicitors Support	To provide support to trainee solicitors employed by CELC
Lloyds Bank Foundation – Sanctions Project	A project to explore potential discrimination and bias in the universal credit sanctions system in partnership with the Public Law Project.
National Lottery – Action for Housing Project	Short-term funding for the Action on Housing Rights project in which student volunteers produced Public Legal Education (PLE) resources for people living in temporary accommodation in Birmingham.
NHS Innovation Fund – Enhanced Legal Support Project	Specialist legal advice and representation extending to issues beyond the legal matter targeted at people with mental health issues.
Nuffield Foundation – Legal Needs Research	Local qualitative research into the impact of the pandemic on the rights of those with longstanding legal needs and disabilities and the role of trusted intermediaries in supporting access to justice.

Notes to the financial statements

For the year ended 31 March 2025

18b Movements in funds (continued)

Paul Hamlyn Foundation–Rights in the Community Support	Core funding to support delivery of the "Rights in the Community Strategy" and some support to Kids In Need Of Defense if required.
Smallwood Trust–Birmingham No Recourse to Public Funds Women's Support Network	Partnership project in Birmingham to support women, and their children, with no recourse to public funds and experiencing domestic abuse to gain legal assistance and practical and emotional support as well as develop a programme to bring about systems change for women with NRPF in Birmingham.
Smallwood Trust – Improving Financial Security of Women	A partnership with Women's Organisations in Coventry to provide more co-ordinated services for vulnerable women.
Subscription fund	A regular donation to pay for a subscription is made by an ex–employee.
The Legal Education Foundation – Justice First Fellowships	Funding to support training contracts for social welfare lawyers.
The Oak Foundation–Core Support–Housing Rights	Support for core costs of Birmingham service with a focus on expanding law centre capacity to reduce the number of people who are homeless/at risk of homelessness by providing expert legal advice/representation in welfare benefits, debt, housing, community care, immigration and public law.
Voluntary Action Coventry – Independent Health Complaints Advocacy	To provide independent advocacy to people with health complaints throughout Coventry.
Purposes of contracts	
Coventry University	For supervision of students to run advice clinics alongside staff
University of Warwick	For supervision of students to run advice clinics alongside staff
Birmingham City University	For supervision of students to run advice clinics alongside staff

19 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2025 £	2024 £
Net income for the reporting period (as per the statement of financial activities)	560,843	225,049
Interest receivable	(46,772)	(41,671)
Increase in work in progress	(63,545)	(124,057)
Decrease/(increase) in debtors	(367,736)	(355,013)
(Decrease)/increase in creditors	105,119	145,939
(Decrease) in provisions for liabilities and charges	(78,000)	–
Net cash provided by / (used in) operating activities	109,909	(149,753)

20 Analysis of cash and cash equivalents

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	945,586	156,681	1,102,267
Total cash and cash equivalents	945,586	156,681	1,102,267

21 Operating lease commitments

The charity's total future minimum lease payments under non–cancellable operating leases is as follows for each of the following periods.

	Property*		Equipment	
	2025 £	2024 £	2025 £	2024 £
Less than one year	64,879	48,659	3,956	3,956
One to five years	210,858	259,517	7,566	11,522
Over five years	–	16,220	–	–
	275,737	324,397	11,522	15,478

*The property lease was entered into and signed on the 24th June 2024 commencing on 1st July 2024 with a break clause after 5 years.

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales - Charity number 1087312

Accounts

Company number: 4149673

Charity number: 1087312

Central England Law Centre Limited

Report and financial statements
For the year ended 31 March 2024

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Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2024

Company number 4149673
Country of incorporation United Kingdom

Charity number 1087312
Country of registration England & Wales

Registered office and operational address
Oakwood House
St Patrick's Road Entrance
Coventry
CV1 2HL

Trustees The trustees (also directors under company law) who served during the year and up to the date of this report were as follows:

K Wilding	Chair (Resigned as Chair 27 February 2024) (Deceased 17 June 2024)
Dr S Raistrick	Chair (Appointed as Chair 27 February 2024)
G Moffatt	Vice Chair
Professor J McHale	(Resigned 27 February 2024)
R Alomo	(Resigned 27 February 2024)
A Christie	(Resigned 9 January 2024)
C King	
T Bannister	
Councillor A Jobbar	
D Moss	(Appointed 25 June 2024)
H Whitney	(Appointed 25 June 2024)
M Qadir	(Appointed 30 July 2024)
Councillor L Bigham	(Appointed 24 September 2024)

Key management	E Hill	(Chief Executive)
Personnel	P.O'Donnell	(Director of Finance)
	C Stern	(Deputy Chief Executive)
	L Nash	Head of Legal Casework and Compliance)

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill,
West Malling
ME19 4JQ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
110 Golden Lane
LONDON, EC1Y 0TG

The trustees (also known as directors) present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976. Central England Law Centre continues the work of Coventry Law Centre in line with its own objects, maintaining its operations from the city centre of Coventry, and expanding to provide services in Birmingham.

Directors and trustees

The directors of the Central England Law Centre Ltd are its trustees for the purpose of charity law.

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's purposes as set out in the objects contained in the company's Memorandum of Association is:

- i) The relief of financial hardship and other forms of distress among the people of Central England and others through the provision of legal and other advisory, representation and information services which they could not otherwise obtain through lack of means;
- ii) The advancement of education of the public by the improvement and diffusion of knowledge of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty;

- iii) To promote such other charitable purposes as are for the benefit of the people of Central England.

We deliver our charitable purpose through our organisational strategy which sets out our vision, mission and aims:

Our Vision:

A fairer, more just society

Our Mission:

Embed rights in our communities to reduce inequalities, challenge unfair systems and advance social justice through specialist legal advice and education.

Our Aims:

1. More people will know their rights and have access to justice leading to greater prosperity for individuals who are marginalised and disadvantaged.
2. The social action and social justice work of organisations, practitioners and activists becomes more effective in enhancing legal capabilities of local communities and delivery of services
3. Through better coordinated, more effective action on shared priorities with our communities, we will work with policy makers to improve policy and systems, and their application and effect change to the law where needed.

Trustees paid due regard to the guidance issued by the Charities Commission in relation to public benefit in deciding that all activity undertaken by the charity must be in support of strengthening and expanding its capacity to make people aware of their rights, to provide legal advice and representation and to improve its ability to reach the most vulnerable individuals and communities.

The key issues underpinning the strategic objectives for 2023–24

We continue to operate in an environment where inequality and disadvantages mean people are struggling to cover their most basic needs and the rights of everyday life are routinely overlooked. Pressure on national and local government funding means pressure on resources to meet statutory obligations to provide accommodation, social care, and welfare support to those in need. Combined with a hostile political environment for migrants and people accessing welfare, we see policies and legislation that embed systemic unfairness and a disproportionate impact on the most vulnerable in our communities.

This has resulted in people routinely being denied their rights and entitlements and being pushed into crisis. The constraints of the legal aid system in its current form means more people being denied access to justice to challenge these unfair decisions and enforce their rights reinforcing a power imbalance that deepens the inequality we are seeing.

Enquiries into the law centre in total increased by 10.3% this year with many people presenting with interconnected legal issues which require the combined expertise of the Law Centre. We continued to experience large levels of demand beyond our capacity for immigration, employment, and family law advice. We were unable to provide advice to 1,905 people with enquiries for areas of social welfare law that we cover as we did not have capacity in our legal teams to respond (21% of all enquiries).

Expanding services to meet demand is reliant on recruiting experienced and legal trained staff – we have again been unable to recruit housing, family and employment solicitors with sufficient experience to support delivery of legal aid contracts.

The funding environment remains limited in terms of the focus on short term funding and the increased pressure on local authority budgets. This year Coventry City Council began a review of its funding for advice services resulting in a reduction in the total amount of funding available and a change in the way grants will be provided. The Government launched a review of Civil Legal Aid and its Legal Support Strategy of which we still await the outcome.

A considerable proportion of enquiries continue to come through partner organisations – people access services and places they are familiar with and trust and where they can get immediate practical support when they face a crisis. Our recent research with Warwick University 'Understanding Local Legal Need' highlights the crucial role trusted intermediaries play in supporting people to access justice and resolve their problems. The relationships between statutory services, trusted intermediaries, generalist advice and specialist advice are critical to ensuring people get the right help at the right time and as early as possible in their problem. The challenge for these intermediaries is in identifying when a rights issue is at play in a person's problem, what steps they can take to support an individual to resolve the problem and when specialist legal advice is needed.

Strategic objectives for 2023–24

Our rights in the community strategy focusses on harnessing the combined power of our work with people, partners and policy makers to have the biggest impact for our community. This strategy is underpinned by our belief that the cultures, systems and behaviours that reinforce unfairness, disadvantage and inequality need to be changed. We believe that only by activating and embedding rights in communities can this be achieved, ensuring early and preventative action is taken to protect the rights of socially and economically disadvantaged individuals and communities. The strategy focuses our skills and resources in three key areas **People, Partnerships and Policy** and our objectives under each of these are as follows:

People

- Delivering specialist social welfare legal advice and representation to people who are marginalized, disadvantaged and discriminated against.

- Providing holistic advice and support and identify interrelated legal issues to prevent them from reaching crisis point.
- Creating a range of referral pathways so people can access legal advice at an earlier stage.
- Sharing our knowledge internally across teams and externally with our partners and clients by Public Legal Education to support people to understand their rights and how to use the law to enforce them.
- To be a centre of excellence by being an equal opportunities employer recruiting, building and developing a highly skilled and committed workforce.
- Offer fully inclusive services, using data/audits to measure and record impact
- Securing diverse funding including 'core' funding, earned income (legal aid), and working with funders to secure multiyear funding streams.

Partnerships

- Sitting at the heart of our communities and listening to the voices of our clients and partners to design and shape effective service provision with local communities and partner organisations.
- Building a community of partners with the commitment, skills, and confidence to do more to help people uphold their rights by embedding a rights-focus into their work.
- Services are delivered with and alongside partners to ensure people are reached and provided with holistic advice and support and that interrelated legal issues are identified at the earliest opportunity to prevent crisis with a focus on inequalities, homelessness, domestic violence, migrant rights, poverty, and health.
- Work with our partners and stakeholders so that they understand our services and the value of specialist legal advice.
- Identifying system failure and how that impact on people's health and income.

Policy

- Holding and developing key relationships at national and local/regional levels and across all sectors that we work with.
- Working with our communities and partners to gather evidence and identify strategic issues and challenges facing those that are disadvantaged and marginalised.
- Use our position as a community law centre to feed into partners, statutory organisations and networks lobbying and campaigning work to amplify and support as appropriate.
- Learning organisation that is open to external scrutiny and strives to be at the edge of innovation, shaped by data, client experience and staff expertise.
- As the largest Law Centre in the country use our influence with funders and policy makers to sustainably invest in specialist legal advice.

Development of staff

All staff continued to benefit from development and training to meet needs identified through the charity's staff appraisal process.

Trustees' annual report

For the year ended 31 March 2024

We are committed to investing in the next generation of social welfare legal practitioners and are currently supporting 11 trainee solicitors to complete their legal training with us and through training contracts funded by the Ministry of Justice Housing Loss Prevention Scheme initiative and the Justice First Fellowship Scheme.

Volunteers

Volunteers provide invaluable support to our work across both our offices. We had over 200 volunteers supporting work in all the teams during the year with the majority being drawn from law schools in universities in the region.

Volunteer solicitors and barristers acting in a pro bono capacity from a range of law firms, including Allen & Overy, Capsticks, St Phillips Chambers and Littleton Chambers add capacity to our employment advice helpline.

The Kids in Need of Defense UK collaboration was supported by over 875 volunteers from 40 corporate law firms and in-house legal departments, as well as 20 student volunteers from Birmingham City University. More details can be found at: [Our Partners – Kids In Need Of Defense UK](#)

Service delivery

We provide a comprehensive service: encompassing casework, representation, legal education, and rights-awareness raising, as well as working with partners to influence service delivery and knowledge of people's rights.

We offer free advice and representation in the following areas of law:

- Employment and Discrimination
- Family
- Immigration and Asylum
- Housing
- Health and Social Care
- Public Law
- Welfare Benefits

We primarily advise residents of Coventry and Birmingham and those who work in the city with some reach into the neighbouring districts and the wider West Midlands areas. We hold legal aid contracts in housing, community care, family, asylum, discrimination, and public law.

During 2023/24 we responded to over 9,270 enquiries for legal advice across our two offices. We provided 4484 people with legal advice and/or representation to resolve their issues. These services were provided with the support of our core funders: Coventry City Council, Legal Education Foundation, Esmee Fairbairn Foundation, Paul Hamlyn Foundation and the Oak Foundation.

As well as delivering our core legal advice and representation services, during 2024–5 we have had a focus on 5 key themes that we identified through trends in our casework and discussion with partners.

- Preventing homelessness and inadequate access to housing
- Unmet social care, health and mental health needs
- Improving awareness of Immigration status and consequential rights for migrants
- Positive Action on Poverty
- Access to Justice

The organisation has developed several new work streams to address these five key themes:

- **Health Justice Partnership:** Collaborating with Coventry and Warwickshire ICB and Coventry Independent Advice Service to address legal needs, digital exclusion, and health inequalities in Coventry and Nuneaton. This project also aims to reduce the time health professionals spend on non-health issues.
- **Early Legal Advice for Women:** Providing early legal support and a solicitor duty scheme for women facing disadvantage in Coventry, funded by the Access to Justice Foundation.
- **Enhanced Front of House Offer:** Piloting a more in-depth triage system to identify and support clients with interrelated legal issues.
- **Support for Unaccompanied Asylum-Seeking Children:** Partnering with West Midlands Strategic Migration Partnership to help social workers understand the legal rights and processes for these children.
- **Universal Credit Sanctions Project:** Exploring potential discrimination and bias in the universal credit sanctions system, in partnership with the Public Law Project.
- **A Strategic Justice Law Clinic with Warwick Law in the Community (LinC):** Using public law principles to address systemic disadvantage and achieve effective change.
- **Delivery of the new Legal Aid Agency Housing Loss Prevention Advice Service (HLPAS):** Supporting a larger range of clients than previously – anyone facing possession proceedings or the threat of losing their home can access this service for early legal advice.
- **An Action on Housing Rights:** Student volunteers produced Public Legal Education (PLE) resources for people living in temporary accommodation in Birmingham with some short-term funding from the National Lottery Community Fund.
- **Participation in the Coventry's Health Determinants Research Collaboration (HDRC)L:** sitting on the Voluntary Sector Reference Group and supporting the development of research priorities and public participation.

In addition to the new initiatives, CELC continues to deliver several ongoing workstreams that align with its strategic aims:

- **Legal Advice Clinics:** These clinics are funded by Coventry University, the University of Warwick, and Birmingham City University. Over 200 student volunteers provide advice on welfare benefits, employment, immigration, and housing issues, ensuring that a wide range of legal needs are met.
- **Migrant Rights in the Community Project (MRIC):** Supported by Coventry City Council, this project involves outreach, training, and raising awareness about migrant rights among staff

and volunteers in schools, foodbanks, community organisations, and family hubs. The goal is to help migrants access services and support despite their immigration status.

- **Intensive Support for Vulnerable Groups:** This includes families at risk of homelessness and individuals with mental health challenges. The Law Centre provides advice and representation, particularly for patients at the Anchor Centre, a medical facility for the homeless or insecurely housed. This work is supported by Coventry Building Society and Virgin Health.
- **Partnership with Hodge Hill Hub:** In Birmingham, providing benefits, immigration, and community care advice to the hub's most vulnerable clients, ensuring they receive the necessary support.
- **Learning Partner for Other Law Centres:** Acting as a learning partner to three other Law Centres, helping develop a hub and partnership approach to strategic change work, sharing best practices and innovative solutions.
- **Collaboration for Children's Immigration and Asylum Law:** Leading a collaboration between four UK-based non-profits, partnering with lawyers and law firms to provide high-quality legal advice and representation for free to undocumented children and young people.
- **Support for Disadvantaged Women:** Through funding from the Smallwood Trust and Fairer Future Fund, working with women's organisations in Coventry and Birmingham to improve economic outcomes for women. This includes providing legal advice for victims of domestic violence and general legal support for a range of needs.
- **Legal Advice for Vulnerable EU Citizens:** Funded by the Home Office, this project helps vulnerable EU citizens with complex cases access the EU Settlement Scheme, ensuring they can secure their rights post-Brexit.
- **Research Project with the University of Warwick:** In collaboration with seven community partners, this study focuses on understanding the experiences of marginalized groups in dealing with legal issues in Coventry. It also examines the role of trusted intermediaries and digital exclusion in accessing justice, using qualitative methods and offering public legal education workshops.
- **Collaboration with Coventry City Council:** Working with various council teams, the organisation aims to improve access to early specialist advice for people accessing council support. As part of the Low-Income Family Tracker project, we identify groups who could benefit from specialist legal advice, focusing on issues like sanctions, the benefit cap, and access to free school meals. Evidence from these pilots has secured additional funding to support families in challenging benefit caps and maximizing their incomes.
- **Co convening the Coventry Poverty Alliance:** Now in its second year, formed with Grapevine Coventry & Warwickshire the alliance bringing together over 60 organisations in the voluntary, community, faith and statutory sector that are working on the frontline responding to the cost-of-living crisis.
- **Responding to calls for evidence and consultations from local and national government:** Focusing on key areas of law and our thematic priorities – providing examples from our casework.

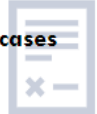
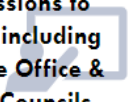
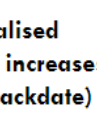
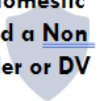
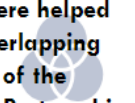
Trustees' annual report

For the year ended 31 March 2024

These ongoing efforts demonstrate the organisation's commitment to addressing a wide range of legal and social issues, ensuring that vulnerable and marginalized groups receive the support and advocacy they need.

Our impact

Key Outcomes of our People work

9k people used our self-help web pages. 	1442 new legal cases opened 	2207 provided with specialist legal advice 	4989 no of people signposted to right help 
50 training sessions to organisations including the MoJ, Home Office & Coventry City Councils 	£1.14m in annualised benefit payment increases (plus £1.313m backdate) 	180 people have been supported to apply for the EU settlement scheme 	366 clients have had their immigration status regularised 
We represented 215 clients at benefit tribunals 	216 evictions prevented and 798 people received housing advice 	247 victims of domestic violence received a <u>Non Molestation Order</u> or DV concession 	90 new clients provided with family law advice 
129 people were helped to manage overlapping issues as part of the Health Justice Partnership 	Advised 83 people with health and social care needs 	232 people received specialist employment advice 	£288k secured in employment settlements 

Key outcomes of our Partnership work

In Coventry, the organisation has built on long-standing partnerships with voluntary and statutory sectors, providing training, outreach, and support to identify missing legal rights and entitlements. This includes signposting, self-help referrals, and creating pathways for specialist advice. In Birmingham, efforts have focused on building relationships with the local community around the Tysley office, resulting in:

- Over 100 organisations in Coventry and Birmingham successfully referring clients and seeking advice.
- A new partnership project, Activating Rights, starting in April 2024 with two years of funding to support community-based organisations in East Birmingham.

Key achievements include:

- **Health Justice Partnership:** Identified unmet welfare benefit entitlements, changing how the Primary Care Network (PCN) supports patients.
- **Birmingham Women's Support NRPF (No Recourse to Public Funds) Network:** Improved services for women with NRPF, reducing the time to access benefits and independence from abusive partners.

- **Family Duty Scheme at Coventry Family Court:** Supported over 60 people, improving court efficiency and increasing the number of cases listed per day.
- **Carers Trust Collaboration:** Participated in Carer's Rights Day podcast to discuss the willing and able principle.
- **Support for Non-Advice Organisations:** Assisted two local organisations in applying for the Access to Justice fund, with one successful application.
- **Training on Cost of Living:** Redesigned information for Coventry City Council and Warwickshire County Council to be more rights focused.
- **Workshops for Frontline Organisations:** Increased awareness and skills on migrating from tax credits to Universal Credit.
- **Guidance on Damp and Mould Issues:** Provided checklists and guidance for partners to support individuals facing these issues.
- **Capacity Building for Legal Aid Providers:** Distributed a crib sheet on using the Social Housing (Regulation) Act 2023 to demonstrate 'serious risk' in legal aid applications.

These efforts highlight CELC's commitment to addressing legal and social issues through collaboration, training, and targeted support.

Key outcomes of our Policy work

In January 2023, the government launched a Review of Civil Legal Aid in England and Wales (RoCLA (Review of Civil Legal Aid)) and later in 2024, a review of its Legal Support Strategy. The organisation has actively contributed to these initiatives by sharing client experiences and the challenges of delivering access to justice for marginalized communities. This includes written responses to calls for evidence, participation in surveys, and discussions with senior leaders in the legal and advice sector.

Key activities and impacts include:

- **Engagement with Politicians:** In June 2023, both the Attorney General and the Shadow Attorney General visited the organisation, where recommendations for the future of civil legal aid were presented.
- **Raising Awareness:** The Rights in the Community Lead delivered sessions at various conferences to highlight client experiences and the inadequacies of the current civil legal aid scheme.
- **Media Engagement:** The Director of Positive Action on Poverty appeared on BBC Radio 2's Jeremy Vine Show to discuss housing issues, using the platform to raise awareness of people's rights.
- **Briefing Document on Rwanda Act 2024:** In partnership with KIND (Kids In Need of Defence) UK, a briefing document was produced to outline concerns about the UK's Rwanda Act 2024, which has been referenced by multiple organisations.

Strategic litigation work driven by casework has led to significant impacts:

- **Consultation Rights in Birmingham:** Secured consultation rights for people affected by Birmingham City Council budget cuts, ensuring future consultations are meaningful.
- **Amendment of Immigration Rules:** Through strategic litigation, secured the inclusion of partners with pre-settled status in the support scheme for migrant victims of domestic abuse.
- **Implementation of BCD v BCC (Birmingham City Council) Judgement:** Worked to ensure improved welfare support levels for families under S.17 of the Children's Act 1989 are implemented across local authorities.

The organisation has also responded to key national policy reviews, drawing on its multi-disciplinary legal expertise, including consultations on social housing allocation, OISC (Office of the Immigration Service Commissioner) registration fees, and the Health and Disability Green Paper.

These efforts demonstrate the organisation's commitment to influencing policy and improving access to justice for marginalized communities.

Beneficiaries of our services

The organisation aims to make its services accessible to vulnerable, disadvantaged, and socially excluded individuals, addressing high needs within the populations it serves.

Coventry¹:

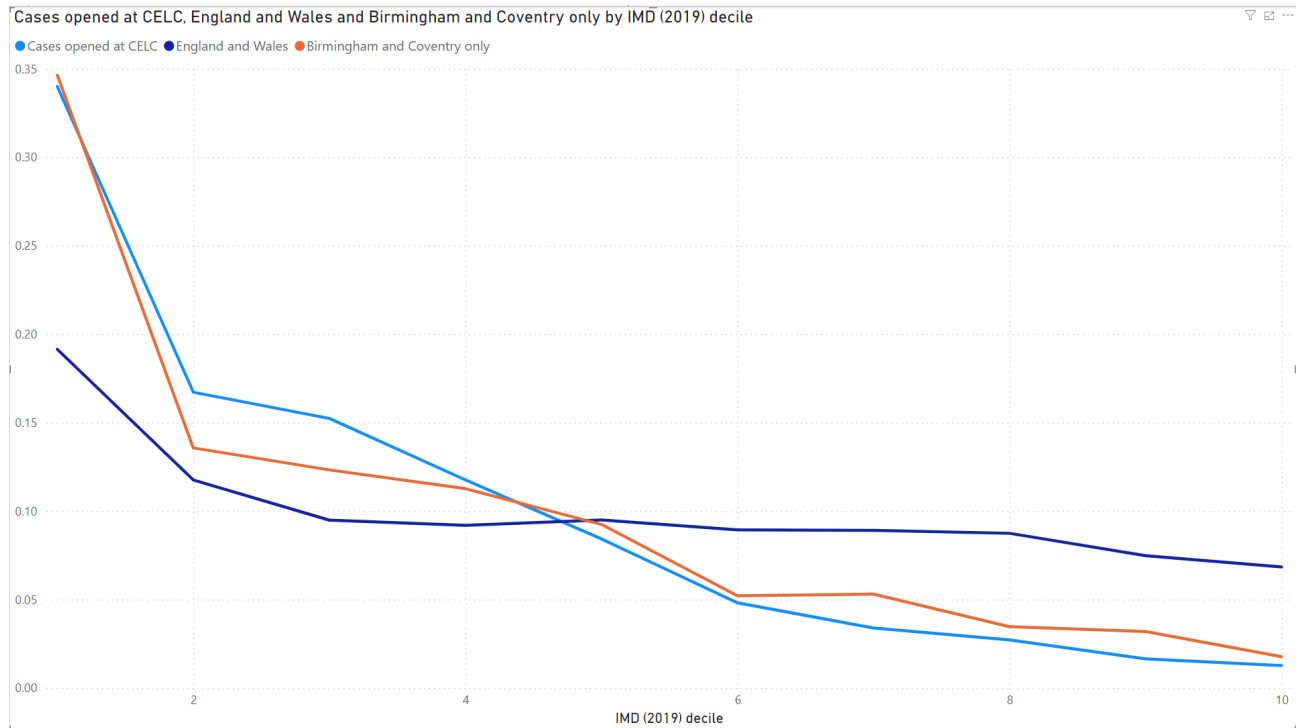
- Population: 345,300 (2021 Census)
- 14% live in the top 10% most deprived neighbourhoods in England.
- 37% of children live in poverty, rising to 53% in St Michaels ward.
- 18% of households are in fuel poverty (national average: 13.5%).
- 14.4% of children live in multiple deprivation.
- 17.7% have a limiting long-term health problem or disability; higher premature death and infant mortality rates than the national average.
- Higher number of children looked after by the local authority compared to the national average.
- 9.1% of residents have no qualifications.
- 17.3% of households have no working-age residents (national average: 13.3%).
- Average annual income per head: £15,363 (national average: £21,609).

Birmingham:

- Population: 1,144,900 (2021 Census)
- 238,313 residents born overseas, with 44% resident in the UK for less than 10 years.
- 2.4% of the population do not speak English well or at all (more than twice the regional and national averages).
- Ranked the third most deprived core city in the UK, most deprived in terms of income and employment deprivation.
- 43% live in the 10% most deprived areas in England.
- 51% of children live in the 10% most deprived areas.
- 28% of children live in income-deprived households.
- 26% of over 60s are income deprived.
- 15% have a long-term health condition or disability that limits daily activity.

These statistics highlight the significant challenges faced by residents in Coventry and Birmingham, underscoring the importance of accessible services for these communities. We ensure our services reach those who are most vulnerable by working in partnership with other agencies and community organisations to reach those people living in the most deprived areas of the city and those who are disabled or have physical or mental health problems. We prioritise cases where discrimination is a factor. The following chart shows our success in reaching the most deprived in our community.

¹ [Facts about Coventry | Coventry City Council](#)



We are able to collect demographic information from clients that we provide a full casework service to and some clients that we provide one-off advice to (it is often easier to do this in formal settings like at a Housing Duty Scheme at court or an in-person, drop-in clinic). The data presented here is given in proportional figures only and is based on the actual responses we obtained. It is assumed that where clients have declined to give data, they are not substantially statistically different from those clients who do provide demographic information.

Male and female clients: 51% of clients we opened cases for are female.

Disability status of clients: Across both offices 44% of our clients, we have engaged with have been disabled. This compares to a national figure of 17% of the English population.

Employment status of clients: Though the age groups most likely to be economically active form the largest proportion of our client base, the majority (90%) of our clients were not working at all (either unemployed (52%), retired (2.5%), on long term sick leave (26%), or in full-time education (1.8%)) and only a small number (3.5%) were in full-time employment.

Around 45% of all people over 18 in the UK are classed as unemployed (they are looking for work but do not have a job currently) or 'economically inactive' (they don't have a job and are not looking for work). Around 60% of 'economically inactive' people are over-65 and likely to be retired, though some over-65s are still in or looking for work. Of the other 40% of economically inactive people, many are either in poor health or working as unpaid carers; someone is around five times more

likely to be in poor health if they are unemployed, and around four times more likely to provide more than fifty hours per week of unpaid care. ²

Ethnicity of clients: 59% of CELC clients identify as being a member of a minority ethnic group. This is contrast to 19% of the national population.

The ethnicity profile of clients is shown below³ and represents a significant (71%) use of our services by minority ethnic groups. Both Coventry and Birmingham locations see a higher overall proportion of non-white service users than is represented in the local population⁴.

² UK Census 2021

³ Only declared ethnicities are shown. 19% of Birmingham clients and 35% of Coventry clients did not declare an ethnicity.

⁴ Local population demographics for 2020 estimated using 2001-2011 Census data and 2018 estimates by Coventry City Council and Birmingham City Council, using a linear proportional regression following existing demographic proportion trends.

Financial review

Financial stability

The charity has continued to grow and move forward positively with an overall net increase in unrestricted funds of £65,798 following realised gains of £215,000 relating to the exit from the West Midlands Pension Fund. Continued support from Coventry City Council, as well as an expansion in the range of funders provided strong foundations on which to continue to develop. We have also increased Legal Aid income over the previous year, successfully building back up to levels pre pandemic.

Costs for the organisation during the period have risen, reflecting greater capacity and volumes of work as well as the impact of the inflationary environment in the year. This caused both staff costs and overheads to increase at a much greater rate in comparison to recent years.

Principal sources of funding

Coventry City Council continues to represent an important source of funding for the charity. Following a review of funding for Advice Services in Coventry in 2023–24, CELC was successful in a competitive tender for a grant to deliver specialist legal advice from October 2024 for 2 years. This funding is critical to enable us to reach those who are most vulnerable and socially excluded; as well as providing free advice and casework for people on low incomes in areas of law that are out of scope for legal aid.

Fees paid by the Legal Aid Agency (LAA) for work undertaken for clients who are eligible for legal aid is another key source of funding. This covers approximately 40% of the casework undertaken. Trustees continue to set a target to increase legal aid funding in line with their strategy to increase the financial strength of the organisation, the organisation did increase its legal aid income by over £107,844 compared with the previous year, taking total income from legal aid to £558,226.

Increased demand for our services and the limited scope of legal aid funding requires us to have a mixed model of funding. The charity has continued to attract funding from trusts and foundations and other organisations.

Key funders this year were Esmée Fairbairn Foundation, The Legal Education Foundation, The Oak Foundation, Paul Hamlyn Foundation, Coventry Building Society, the Access to Justice Foundation and Coventry and Warwickshire Integrated Care Board.

We continue to grow our funding from local universities securing medium term funding with Birmingham City University, University of Warwick and Coventry University.

The remainder of our funding is short term and project-based. Bids for this type of funding has been successful, and the charity has seen an increase in the number of its funders, as well as a significant overall increase in its funds. This approach is underpinned over the next five years by

Trustees' annual report

For the year ended 31 March 2024

work to implement the organisational strategy, providing a framework to allow applications for unrestricted funding.

General funds have decreased significantly over the year following a detailed review of future development and needs of the organisation and the subsequent allocation of reserves. However, they continue to remain at a level above the range Trustees have approved in the reserves policy below based on guidance outlined by the Charity Commission.

Fundraising

The charity received £7,284 from unrestricted donations. The charity's main funding sources are grants and contracts. The charity does not employ professional fundraisers and does not seek to fundraise from the general public. No complaints concerning fundraising were received in the year.

Pension fund

The charity was an admitted body member of the West Midlands Pension Fund. As of the 21st of November 2023, CELC closed its defined benefit pension scheme to future accrual. This impacted the one remaining active member of staff enabling an overall exit from the scheme. In line with scheme rules this triggered a cessation valuation. In the actuary's assessment and as agreed by both parties, a payment was due to CELC to cover the excess value of scheme assets over liabilities amounting to £215,000.

CELC no longer has any obligation to the scheme, with no active employee members, and the scheme responsible for meeting all obligations to pensioners and deferred members. The scheme actuary's assessment was based on the valuation on 21st November 2023, was agreed by both parties in March 2024 and paperwork formally signed-off in March 2024.

Public Benefit

The trustees have considered the Charity Commission's requirement in respect of Public Benefit. In their view the charity meets, in full, the criteria to satisfy the test. The trustees' annual report has described earlier in this report the activities undertaken to further its charitable purposes for the public benefit.

Principal risks and uncertainties

The Board of Trustees routinely reviews the major risks to which the charity is exposed, and a risk register has been established. This is reviewed at least twice a year along with a review of performance against the business plan. The Risk Register has been developed in line with Charity Commission guidance and the requirements of LEXCEL. It includes an assessment of risk across the areas of Governance, Strategy, Operations, Compliance, Fraud and Dishonesty, Finance, Competence and Conflict, and Confidentiality. Each risk is assessed by impact and likelihood and given an overall risk rating. The actions that are being taken to mitigate, transfer, reduce or avoid the risk are detailed along with the internal resources to support the actions.

Trustees' annual report

For the year ended 31 March 2024

The most significant risks to the charity are reduction or loss of contracts from the Legal Aid Agency or the charity's other main core funders. The Legal Aid contract is very closely managed, with significant emphasis on contract compliance and ensuring that income targets are met.

While Coventry City Council continues to place a high priority on funding for advice services in the city, in 2024 they moved to a competitive tendering process for their grants in this area. While we have been successful in securing a grant under this tender to deliver specialist legal advice services, it is only for a relatively short period of 2 years and includes a break clause earlier if the funding situation for Coventry City Council changes and if certain parts of the specification are not met to the satisfaction of the funder. Trustees are also mindful that Coventry City Council is under significant financial pressure and considerable effort is being expended in ensuring that its elected members place high value on our service.

The charity also has a strategy of bidding for funding from other sources. This has been successful, and the charity has secured funding from new funders in the period as well as continued funding from existing funders. This approach is underpinned over the next five years by work to implement the organisational strategy, providing a framework to attract unrestricted funding. Trustees are also mindful that existing funders may change strategic direction so alongside this a fundraising strategy including prospecting for new funders is being developed in 2024–25 to support sustainability and growth in our corporate and trusts funds.

Previously a key risk to financial stability was the liability arising from membership of the West Midlands Pension Fund. In November 2023 Trustees elected to close the scheme to future accrual and therefore the responsibility for meeting all obligations to pensioners and deferred members passed directly to the scheme, removing any risk from CELC.

Reserves policy and going concern

The trustees review the charity's need for reserves in line with the guidance issued by the Charity Commission and have developed a risk-based reserves policy. The policy is reviewed annually or more frequently if there is a material change to the assessment of risk. The objective of the policy is to strengthen CELC's financial resilience whilst avoiding holding funds unnecessarily. Restricted fund balances are utilised only in accordance with the funders objectives and are not available for the charity's general use. The trustees allocate to designated funds within the free reserves to provide for future probable expenditure and liabilities.

Restricted fund balances at the balance sheet date amount to £375K these are utilised only in accordance with the funders stated objectives and are not available for the charity's general use. The trustees have allocated £1,329K to designated funds within the free reserves to provide for future expenditure and liabilities to leave a general fund balance £792K. The current general fund reserves target as approved by the Board of Trustees is £692K. This is based on an assessment of the risks to CELC and the finances required to ensure the charity can carry on its activities, after allocation to designated funds, in the event of unplanned changes to its financial circumstances. The risk factors that have been taken into account include:

Trustees' annual report

For the year ended 31 March 2024

- Reliance on Coventry City Council as a key funder and that this is now limited to 2 years funding
- The short-term nature of many current funding agreements.
- CELC's ability to reduce costs without having an impact on income streams; and
- The level of unrestricted reserves held as work-in-progress (representing Legal Aid casework in process) which are funds that are not readily available in liquid form.

The level of free reserves currently exceeds the target set by Trustees. Trustees have reviewed the reserves position and plans have been put in place to reduce this balance by:

- increasing expenditure on the development and volume of charitable services,
- making designations in respect moving and refurbishment costs associated with the office move for Coventry.
- Making provision for the charity to continue a workforce development programme and
- In addition, some of the funds held have been received in the current year but are committed against expenditure to be incurred in the following year inflating the value of the fund balances.

The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future (That being 12 months from the date of signing this report) and have therefore, used the going concern basis in preparing these financial statements.

This is based on the following assessment:

- The 2023-24 financial statements show CELC general funds of £791K which is in excess of the approved reserves target as outlined above.
- The balance sheet shows net assets of £2,495K, there now being no defined benefit pension scheme liability.
- In February 2024 the trustees approved the budget for 2024-25 showing a deficit of £135K. The excess of expenditure over income on restricted funds was predicted to be £83K. The unrestricted funds will show a deficit of £52K. This falls within the current loss tolerance and extra income over and above budget is commonly achieved.
- The three-year plan approved by trustees, including risk-based scenario planning such as cuts in grant funding and an increase in staff costs forecasts a decrease in the general funds over that time, especially in the final year. It is assumed over the three year period new sources of project funding and core funding will be successfully applied for, these are not currently included in the plan cashflows.
- The latest cashflow forecast (November 2024) indicates a balance of £839K at the month end November 2025.

Investment policy

The trustees are empowered by the Articles of Association to invest the charity's money as they see fit and make their decisions with reference to the Charity Commission's guidance.

Plans for the future

We have identified the following priorities for 2024–25

So, more people will know their rights and have access to justice leading to greater prosperity for individuals who are marginalised and disadvantaged we will seek to:

- Provide specialist legal expertise in Housing, Employment, Discrimination, Family, Public Law, Welfare Benefits, Immigration & Asylum and Community Care
- Provide holistic, wrap around intensive support for the most disadvantaged people
- Maintain and apply for Legal Aid contacts to support the delivery of our specialist areas of law and maintain relevant accreditation to continue and expand our work.
- Design and deliver effective and understandable public legal education on key rights
- Develop a workforce plan to invest in current and future generation of social welfare Lawyers.; investing in staff training and development; recruiting and training future lawyers; ensure staff wellbeing.
- Review and strengthen internal processes and policies and ensuring that we have an organisational structure with a skilled management and support systems to provide efficient systems and ways of working that will enable us to meet our aims.
- Expand our offer for the people of Birmingham supported by a new staff member to lead on development and partnerships in Birmingham.

In order that the social action and social justice work of organisations, practitioners and activists becomes more effective in enhancing legal capabilities of local communities and delivery of services we will seek to:

- Providing training, public legal education and support to voluntary and statutory partners and organisations so they better understand how rights and their power relates to their work.
- Develop and deliver legal education to front line workers in organisations and direct support to identify when the people they support need legal advice and referral pathways.
- Develop and maintain partnerships and funders that recognises the links between legal issues, poverty and health and inequalities including piloting a Health Justice Partnership with Coventry and Warwickshire ICB.
- Be a critical friend with key stakeholders and statutory organisations to help them better understand how system failure impacts on people's health and income.
- Maintain and expand relationships with universities and expand law clinics to deliver advice clinics to reach more marginalised communities.
- Develop and learn from client focus groups who have lived experience.

Through better coordinated, more effective action on shared priorities with our communities, we will work with policy makers to improve policy and systems, and their application and effect change to the law where needed by seeking to:

- Develop systems to understand the needs of our community – e.g. data collection systems, research, collaboration with partners, staff and client experiences. We will build on the findings of the local legal needs research project concluding this year.
- Provide staff the opportunities to develop capacity and skills to identify, prioritise and respond to the issues our community is facing including taking strategic legal action.
- Maintain and develop a proactive Public Law Team who work alongside all legal teams within the Law Centre Collect.
- Report and communicate evidence of the difference our work makes to people's lives including commissioning external evaluations.
- Undertake strategic communications work using targeted messages and channels appropriate for all our audience.
- Respond to consultations, calls for evidence, surveys and evaluation initiatives and local and national campaigns. We will contribute the Civil Legal Aid review and push for improvements to the legal aid system and promote access to justice for the most disadvantaged.

Structure, governance and management

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The directors of the company are also known as trustees for the purposes of charity law. All trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Organisational structure

Central England Law Centre Ltd has a Board of up to 10 trustees who meet regularly at monthly board meetings, informal sub-committee meetings and by attendance at trustee away days. The trustee board are responsible for the strategic direction and policies of the charity. Elayne Hill, the Company Secretary and Chief Executive, attends all meetings of the Board but is not a board member.

Responsibility for the provision of services and for the delivery of the business plan is delegated to the Chief Executive. The charity operations are guided by policies which are approved by the trustees, and which provide a framework for the day to day running of all aspects of the organisation.

Responsibility for professional conduct and for meeting Solicitors Regulation Authority requirements is delegated to Lydia Nash, Solicitor and Head of Legal Casework and Compliance.

The charity employs 79 staff (as of 31st March 2024), of whom 58 are engaged in the direct provision of services.

The Law Centre holds the Specialist Quality Mark in each of the areas of law in which it offers advice and representation. This provides a structure for the delivery of advice and representation and sets standards for training of staff and for supervision of these services, which is delegated to each of the team supervisors.

Appointment of trustees

The Articles of Association were changed in the year and require that trustees should retire every three years and may then stand for re-election. Previously one third of the board retired by rotation. No trustees term of office expired in the period up to and including the date of the AGM.

The nature of the work of the charity means it is important to maintain a skill mix amongst the trustees which includes knowledge and understanding of legal advice and representation, as well as an understanding of the issues relating to social exclusion and the specific social welfare needs of the population in the area in which the charity operates.

The charity has been successful in attracting several people with experience in legal advice and representation, as well as representatives from the local authority and trustees with experience of equality issues. Business and finance skills are also well represented within the trustee body, with one trustee being qualified accountant and others having experience of running their own businesses.

Potential new trustees are given a 'job description' and person specification for the role and are invited to submit an application and to attend an interview with the Chair, and the Chief Executive.

Trustee induction and training

New trustees attend the Centre for a brief introduction to the work of the charity. They are provided with an information pack which covers:

- Their obligations as trustees;
- Memorandum and Articles of Association;
- Previous year's annual report and accounts; and
- Current year's business plan.

Training sessions continue to focus on the work undertaken by the organisation, allowing trustees to have more contact with staff and to gain an insight into the issues they face. In addition, where necessary, training takes place as part of the monthly meetings to ensure that issues being discussed are fully understood by trustees.

The Board undertakes an annual self-evaluation of its effectiveness. This enables identification of any skill gaps, and of the training needs of the Board. From this, an annual training plan is drawn

up. In addition, the effectiveness of working arrangements and information reporting is reviewed, and changes made where necessary.

Related parties and relationships with other organisations

Central England Law Centre is a member of the Law Centres' Network. This is the national body which sets the framework for the operation of Law Centres, and membership is obligatory for any organisation which wants to operate as a Law Centre. Lydia Nash, Director of Legal Casework and Compliance served on the Management Committee of Law Centres Network in 2023–24.

The Law Centre works in partnership with other organisations where this assists in achieving our goal of reaching clients who most need our services and who may be hard to reach, and where the partner organisation offers complementary services that improve the overall effectiveness of our specialist legal advice. For example, we are partnering with Foleshill Women's Training, Kairos WWT, CRASAC (Coventry Rape and Sexual Abuse Centre) and Coventry Haven Women's Aid in Coventry Women's Partnership to deliver a holistic programme of support aimed at improving women's financial security. We provide a drop –in service at Hub Hodge Hill in Birmingham which is part of the Open–Door Community Foundation. We are also working with KIND Inc., a US based organisation, Islington Law Centre, Just Right Scotland, Coram Children's Legal Centre and Greater Manchester Immigration Aid Unit in a collaboration called Kids in Need of Defense UK. This is a national pro bono initiative to provide immigration advice to children.

We also work with local universities to provide volunteering opportunities for students and to extend our capacity to provide free advice. The Universities involved are Coventry, Warwick and Birmingham City University.

Remuneration policy for key management personnel

The remuneration policy for all personnel with the exception of the Chief Executive is determined by a salary scale which is reviewed for potential cost of living increases annually by trustees. Trustees may review the scale itself from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries individually when they set the budget at the start of the year.

The salary for the Chief Executive was assessed by reference to market rates in comparable organisations when the post holder was appointed. It has been reviewed for inflation in line with other salaries in the organisation.

Funds held as custodian trustee on behalf of others

Central England Law Centre does not perform this function.

Statement of responsibilities of the trustees

The trustees (who are also directors of Central England Law Centre Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2024 was 6 (2023: 9). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on DATE and signed on their behalf by

Dr Sarah Raistrick
Chair

Independent auditor's report

To the members of

Central England Law Centre Limited

Opinion

We have audited the financial statements of Central England Law Centre Limited (the 'charitable company') For the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as of 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Central England Law Centre Limited's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine

Independent auditor's report

To the members of

Central England Law Centre Limited

is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

Independent auditor's report

To the members of

Central England Law Centre Limited

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

DATE:

for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations	2	7,284	600	7,884	20,944	600	21,544
Charitable activities							
Legal and other advisory services	3	1,116,878	2,220,459	3,337,337	1,109,258	1,574,667	2,683,925
Investments		41,671	–	41,671	19,249	–	19,249
Other	3	237,163	–	237,163	5,576	–	5,576
Total income		1,402,996	2,221,059	3,624,055	1,155,027	1,575,267	2,730,294
Expenditure on:							
Charitable activities	4						
Legal and other advisory services		1,237,187	2,161,819	3,399,006	1,174,670	1,856,439	3,031,109
Reversal of provision for liabilities and charges	4			–			
Total expenditure		1,237,187	2,161,819	3,399,006	1,174,670	1,856,439	3,031,109
Net income for the year	6	165,809	59,240	225,049	(19,643)	(281,172)	(300,815)
Transfers between funds		(100,011)	100,011	–	(12,084)	12,084	–
Net income / (expenditure) before other recognised gains		65,798	159,251	225,049	(31,727)	(269,088)	(300,815)
Actuarial gains on defined benefit pension schemes	22	–	–	–	512,000	–	512,000
Net movement in funds		65,798	159,251	225,049	480,273	(269,088)	211,185
Reconciliation of funds:							
Total funds brought forward		2,054,760	215,665	2,270,425	1,574,487	484,753	2,059,240
Total funds carried forward		2,120,558	374,916	2,495,474	2,054,760	215,665	2,270,425

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 04149673

As at 31 March 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	11		–		–
Current assets:					
Work in progress	12	1,123,766		999,709	
Debtors	13	1,378,114		1,023,101	
Cash at bank and in hand		945,586		1,053,668	
		<u>3,447,466</u>		<u>3,076,478</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(951,992)		(806,053)	
Net current assets			<u>2,495,474</u>		<u>2,270,425</u>
Total assets less current liabilities			<u>2,495,474</u>		<u>2,270,425</u>
Defined benefit pension scheme liability	22		–		–
Total net assets			<u><u>2,495,474</u></u>		<u><u>2,270,425</u></u>
The funds of the charity:	17a				
Restricted income funds			374,916		215,665
Unrestricted income funds:					
Designated funds		1,328,891		621,232	
General funds		791,667		1,433,528	
Pension reserve		–		–	
		<u>–</u>		<u>–</u>	
Total unrestricted funds			<u>2,120,558</u>		<u>2,054,760</u>
Total charity funds			<u><u>2,495,474</u></u>		<u><u>2,270,425</u></u>

Approved by the trustees on DATE and signed on their behalf by

Dr Sarah Raistrick
Chair

Central England Law Centre Limited

Statement of cash flows

For the year ended 31 March 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities	18				
Net cash used in operating activities		(149,753)		(132,674)	
Cash flows from investing activities:					
Interest received		41,671		19,249	
Net cash provided by investing activities		41,671		19,249	
Change in cash and cash equivalents in the year		(108,082)		(113,425)	
Cash and cash equivalents at the beginning of the year		1,053,668		1,167,093	
Cash and cash equivalents at the end of the year	19	945,586		1,053,668	

1 Accounting policies

a) Statutory information

Central England Law Centre Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Oakwood House, St Patrick's Road Entrance, Coventry, CV1 2HL.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Critical estimates and judgements

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

In November 2023 the charity withdrew from the Local Government Scheme, the last active employee having left the scheme. In previous years a defined benefit pension liability was estimated using actuarial estimates and calculations. This potential liability therefore no longer exists.

In August 2024 the charity moved premises on the cessation of the lease. In previous years a provision was made against the estimated share of dilapidation costs with the head tenant that would be incurred in returning the premises to their original condition. This provision has been reversed as it is assumed that the risk of incurring such a dilapidations charge is much diminished.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Amounts receivable under contracts for legal services are scheduled on an accruals basis. Income reflects the fair value of services provided on each assignment, including expenses and disbursements.

Income received in excess of time recorded (inter partes costs) is recognised when the amounts have been agreed by third parties.

Unbilled income is shown as work in progress and is valued on an hourly rate as determined by the Legal Aid Agency. Unbilled disbursements expended are shown as debtors.

Other income is included when receivable.

g) 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.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing legal and other advisory services
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| • Computer equipment | 3 years |
| • Office equipment | 5 years |
| • Property improvements | 5 years |

m) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Client accounts

As part of working practices the charity holds third party funds in separate designated bank accounts. These funds are not assets of the charity and are not accounted for in these financial statements.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

q) 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.

1 Accounting policies (continued)**r) Pensions**

For part of the year CELC was an admitted body of the West Midlands Pension Fund (WMPF), which is a defined benefit scheme. Employer's contributions to the pension scheme, which are made in accordance with consulting actuaries' periodic calculations to spread the cost of pensions over the employees' working lives, are charged in the year in which they become payable.

A cost of pension is calculated by the actuaries to comply with the accounting standard FRS 102 allocated to activities in proportion to employer contributions. The charity withdrew from the WMPF in November 2023 when the last active member left the scheme.

Retirement benefits to employees of the charity are now provided solely by Scottish Widows (a defined contribution scheme).

2 Income from donations

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Crispin Passmore Consulting Ltd	5,066	–	5,066	16,910	–	16,910
Other Donations	2,218	600	2,818	4,034	600	4,634
	<u>7,284</u>	<u>600</u>	<u>7,884</u>	<u>20,944</u>	<u>600</u>	<u>21,544</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the financial statements

For the year ended 31 March 2024

3 Income from charitable activities

	2024		2023	
	Unrestricted £	Restricted £	Unrestricted £	Restricted £
Coventry City Council – grant	–	439,726	–	439,726
The Oak Foundation	–	96,000	–	96,000
The Legal Education Foundation	100,000	–	112,000	–
Esmee Fairbairn	100,000	–	150,000	–
Paul Hamlyn Foundation	33,000	–	22,500	–
Access to Justice Foundation	–	100,000	–	–
Legal Aid Agency	558,226	–	450,382	–
Other profit costs	–	–	91,724	–
Coventry University	86,316	–	85,016	–
University of Warwick	95,583	–	76,292	–
Birmingham City University	143,753	–	121,344	–
Access to Justice Foundation – IOTLS	–	75,733	–	–
Access to Justice Foundation – Support for Litigants in Person	–	–	–	54,084
Access Your Right To Care	–	22,479	–	21,624
Allen & Overy – Volunteers	–	10,000	–	10,000
Anchor Centre	–	9,016	–	9,016
Birmingham City Council – Asylum, Migration & Integration Fund	–	7,759	–	78,704
BVSC – Improving Outcomes for Inclusion Health Groups	–	10,000	–	–
City of Wolverhampton – Unaccompanied Asylum Seeking Children	–	37,500	–	–
Comic Relief – Ignite Project	–	–	–	40,767
Coventry & Warwickshire ICB – Health Justice Partnership	–	359,460	–	–
Coventry Building Society – Cost of Living Fund	–	10,000	–	5,000
Coventry Building Society – Homelessness Prevention Project	–	41,832	–	15,000
Coventry Building Society – Intensive Support	–	61,213	–	40,000
Coventry Building Society – Mental Health	–	39,354	–	30,000
Coventry Building Society – Welfare Benefits Cap	–	9,559	–	10,000
Coventry City Council – EUSS Compex Cases Project	–	8,086	–	46,093
Coventry City Council – Migrant Rights in the Community	–	68,633	–	28,641
Home Office – EUSS	–	37,619	–	–
Kids in Need of Defense	–	549,356	–	442,443
Legal Aid Agency – Trainee solicitors	–	17,559	–	–
Lloyds Bank Foundation – Sanctions Project	–	11,546	–	–
National Lottery – Action for Housing Project	–	67,522	–	–
NHS Innovation Fund – Enhanced Legal Support Project	–	14,402	–	7,201
Nuffield Foundation – Legal Needs Research	–	8,721	–	9,578
Outreach sessions	–	–	–	8,000
Smallwood Trust – DV Immigration NRPF	–	36,840	–	24,560
Smallwood Trust – Improving Financial Security of Women	–	54,547	–	53,082
The Baring Foundation – Community Justice	–	–	–	13,333
The Legal Education Foundation – Justice First Fellowships	–	5,000	–	31,815
Voluntary Action Coventry – Independent Health Complaints Advocacy	–	10,997	–	60,000
Total income from charitable activities	1,116,878	2,220,459	1,109,258	1,574,667

Notes to the financial statements

For the year ended 31 March 2024

4a Analysis of expenditure (current year)

	Charitable activities £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 7)	1,772,353	–	668,245	2,440,598	2,174,064
Insurance	16,704	375	–	17,079	18,986
Publications	2,392	–	–	2,392	2,644
Subscriptions	20,960	–	–	20,960	18,188
Courses	26,216	–	–	26,216	18,795
Disbursements	5,532	–	–	5,532	2,927
Communications	14,608	–	–	14,608	16,989
Premises costs	–	–	130,537	130,537	125,944
Other costs	–	–	198,906	198,906	153,916
Depreciation and sundry equipment	–	–	44,852	44,852	13,629
Printing, postage and stationery	–	–	16,571	16,571	13,550
Travel	–	–	3,099	3,099	3,030
Bank charges	–	–	676	676	285
Grant funded activities	459,849	–	–	459,849	454,060
Client payments	250	–	–	250	(461)
Audit	–	16,881	–	16,881	14,563
	2,318,864	17,256	1,062,886	3,399,006	3,031,109
Support costs	1,062,886	–	(1,062,886)	–	–
Governance costs	17,256	(17,256)	–	–	–
Legal and other advisory services 2024	3,399,006	–	–	3,399,006	
Legal and other advisory services 2023	3,031,109	–	–		3,031,109

Grant funded activities is expenditure specific to projects. This includes £338,982 (Note 5a) (2023: £346,413 (Note 5b)) we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2024

4b Analysis of expenditure (prior year)

	Charitable activities £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 7)	1,510,355	–	663,709	2,174,064
Insurance	18,611	375	–	18,986
Publications	2,644	–	–	2,644
Subscriptions	18,188	–	–	18,188
Courses	18,795	–	–	18,795
Disbursements	2,927	–	–	2,927
Communications	16,989	–	–	16,989
Premises costs	–	–	125,944	125,944
Other costs	–	–	153,916	153,916
Depreciation and sundry equipment	–	–	13,629	13,629
Printing, postage and stationery	–	–	13,550	13,550
Travel	–	–	3,030	3,030
Bank charges	–	–	285	285
Grant funded activities	454,060	–	–	454,060
Client payments	(461)	–	–	(461)
Audit	–	14,563	–	14,563
	<u>2,042,108</u>	<u>14,938</u>	<u>974,063</u>	<u>3,031,109</u>
Support costs	974,063	–	(974,063)	–
Governance costs	<u>14,938</u>	<u>(14,938)</u>	<u>–</u>	<u>–</u>
Legal and other advisory services 2023	<u>3,031,109</u>	–	–	3,031,109

Grant funded activities is expenditure specific to projects. This includes £346,413 (Note 5b) we have received from funders to pay to partner organisations .

Notes to the financial statements

For the year ended 31 March 2024

5a Grant making (current year)

Grants £	2024 £
315,467	315,467
23,515	23,515
338,982	338,982

Project

Kids In Need of Defense
Health Justice Partnership

At the end of the year

The Law Centre has worked with partners during the year to deliver the projects shown above.

Payments were made to organisations for activities as below:

Islington Law Centre
Coram Children's Legal Centre
JustRight Scotland
Greater Manchester Immigration Aid Unit
Coventry Citizens Advice
Coventry Independent Advice Service

At the end of the year

2024 £
158,711
102,503
22,389
31,864
10,405
13,110
338,982

5b Grant making (prior year)

Grants £	2023 £
3,054	3,054
316,690	316,690
26,669	26,669
346,413	346,413

Project

Ignite Project
Kids In Need of Defense
Support for Litigants in Person

At the end of the year

The Law Centre has worked with partners during the year to deliver the projects shown above.

Payments were made to organisations for activities as below:

Grapevine Coventry & Warwickshire Ltd
Islington Law Centre
Coram Children's Legal Centre
JustRight Scotland
Greater Manchester Immigration Aid Unit
Derbyshire Law Centre

At the end of the year

2023 £
3,054
158,936
102,370
22,653
32,731
26,669
346,413

6 Net income for the year

This is stated after charging:

2024 £	2023 £
-	-
4,746	6,496
62,116	61,187
4,586	4,556
16,750	14,550

Depreciation

Professional Indemnity Insurance

Operating lease rentals:

Property

Other

Auditor's remuneration (excluding VAT):

Audit

Notes to the financial statements

For the year ended 31 March 2024

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	2,152,196	1,893,302
Redundancy and termination costs	–	2,004
Social security costs	197,629	185,247
Employer's contribution to defined contribution pension schemes	85,352	56,175
Operating costs of defined benefit pension schemes	–	28,996
Recruitment costs	6,121	8,340
	2,441,298	2,174,064

The redundancy and termination costs were settled and £2,004 was paid in May 2022.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	1	1

Key management personnel include the Trustees, the Chief Executive Officer, the Deputy Chief Executive Officer, the Director of Finance & IT and the Director of Legal Casework & Compliance. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £202,625 (2023: £193,221).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

No trustee received any remuneration in either year. No trustee expenses were paid for by the charity in the year (2023: £nil for 0 trustees).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 79 (2023: 69).

Staff are split across the activities of the charitable company as follows :

	2024 No.	2023 No.
Support staff	21	21
Legal and advisory staff	58	48
	79	69

Notes to the financial statements

For the year ended 31 March 2024

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Aggregate donations from related parties were £nil (2023: £nil).

Councillor Abdul Jobbar is a member of Coventry City Council.

As Cllr Jobbar does not have significant control over decisions regarding funding for the Law Centre made by Coventry City Council, the Trustees have not included any details of funding under related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At the start of the year	66,902	69,568	23,724	160,194
At the end of the year	66,902	69,568	23,724	160,194
Depreciation				
At the start of the year	66,902	69,568	23,724	160,194
Charge for the year	-	-	-	-
At the end of the year	66,902	69,568	23,724	160,194
Net book value				
At the end of the year	-	-	-	-
At the start of the year	-	-	-	-

All of the above assets are used for charitable purposes.

12 Work in progress

	2024 £	2023 £
Legal work performed but unbilled at year end	1,123,766	999,709
	1,123,766	999,709

13 Debtors

	2024 £	2023 £
Other debtors including disbursements	925,973	739,876
VAT	26,898	5,497
Prepayments and accrued income	425,243	277,728
	1,378,114	1,023,101

Notes to the financial statements

For the year ended 31 March 2024

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	417,413	356,604
Taxation and social security	46,104	39,454
Other creditors	–	88,825
Pension creditor	14,465	12,624
Accruals	73,599	51,610
Provision for liabilities and charges	178,000	163,000
Deferred income	222,411	93,936
	951,992	806,053

15 Deferred income

Deferred income represents grants received relating to future periods or where the performance related conditions have not yet been met by the charity.

	2024 £	2023 £
Balance at the beginning of the year	93,936	111,408
Receipts in advance	1,713,209	1,557,795
Released to income in the year	(1,584,734)	(1,575,267)
Balance at the end of the year	222,411	93,936

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	–	–	–
Current assets	1,521,248	1,328,891	597,327	3,447,466
Current liabilities	(729,581)	–	(222,411)	(951,992)
Net assets at 31 March 2024	791,667	1,328,891	374,916	2,495,474

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	–	–	–
Current assets	2,145,645	621,232	309,601	3,076,478
Current liabilities	(712,117)	–	(93,936)	(806,053)
Net assets at 1 April 2023	1,433,528	621,232	215,665	2,270,425

Notes to the financial statements

For the year ended 31 March 2024

17a Movements in funds (current year)

	At 1 April 2023 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
The Oak Foundation	–	96,000	(96,000)	–	–
Access to Justice Foundation	–	100,000	(100,000)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	41,832	(41,832)	–	–
Coventry Building Society – Mental Health	–	39,354	(39,354)	–	–
Coventry Building Society – Intensive Support	–	61,213	(61,213)	–	–
Coventry Building Society – Welfare Benefits Cap	–	9,559	(9,559)	–	–
Coventry Building Society – Cost of Living Fund	–	10,000	(10,011)	11	–
Voluntary Action Coventry – Independent Health Complaints Advocacy	8,659	10,997	(19,656)	–	–
Anchor Centre	–	9,016	(9,016)	–	–
Kids in Need of Defense	207,984	549,356	(771,221)	100,000	86,119
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	54,547	(54,547)	–	–
Smallwood Trust – DV Immigration NRPF	–	36,840	(36,840)	–	–
Coventry City Council – EUSS Compex Cases Project	–	8,086	(8,086)	–	–
Coventry City Council – Migrant Rights in the Community	–	68,633	(68,633)	–	–
Access Your Right To Care	–	22,479	(22,479)	–	–
The Legal Education Foundation – Justice First Fellowships	–	5,000	(5,000)	–	–
Nuffield Foundation – Legal Needs Research	–	8,721	(8,721)	–	–
NHS Innovation Fund – Enhanced Legal Support Project	–	14,402	(14,402)	–	–
Coventry & Warwickshire ICB – Health Justice Partnership	(978)	359,460	(69,685)	–	288,797
Birmingham City Council – Asylum, Migration & Integration Fund	–	7,759	(7,759)	–	–
City of Wolverhampton – Unaccompanied Asylum Seeking Children	–	37,500	(37,500)	–	–
Access to Justice Foundation – IOTLS	–	75,733	(75,733)	–	–
Home Office – EUSS	–	37,619	(37,619)	–	–
Legal Aid Agency – Trainee solicitors	–	17,559	(17,559)	–	–
Lloyds Bank Foundation – Sanctions Project	–	11,546	(11,546)	–	–
National Lottery – Action for Housing Project	–	67,522	(67,522)	–	–
BVSC – Improving Outcomes for Inclusion Health Groups	–	10,000	(10,000)	–	–
Total restricted funds	215,665	2,221,059	(2,161,819)	100,011	374,916
Designated funds:					
Transformation fund	77,452	–	(73,833)	(3,619)	–
Kind Unbound Philanthropy Fund	100,000	–	–	(100,000)	–
Crispin Passmore donation	28,780	5,066	(10,955)	–	22,891
Property Security Fund	415,000	–	–	(415,000)	–
New premises, premises improvement fund	–	–	–	225,000	225,000
New Projects Fund	–	–	–	249,000	249,000
Work In Progress Fund	–	–	–	105,000	105,000
Grant Cessation Adaption Fund	–	–	–	352,000	352,000
Workforce Development Fund	–	–	–	375,000	375,000
Total designated funds	621,232	5,066	(84,788)	787,381	1,328,891
General funds	1,433,528	1,072,278	(826,747)	(887,392)	791,667
Coventry University	–	86,316	(86,316)	–	–
University of Warwick	–	95,583	(95,583)	–	–
Birmingham City University	–	143,753	(143,753)	–	–
Total unrestricted funds	1,433,528	1,397,930	(1,152,399)	(887,392)	791,667
Pension reserve	–	–	–	–	–
Total funds including pension fund	2,270,425	3,624,055	(3,399,006)	–	2,495,474

17a Movements in funds (continued)

The narrative to explain the purpose of each fund is given at the foot of the note below.

The grant received from Birmingham City Council for the Asylum, migration and integration fund project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £0 for the year (2023: £11,075).

In 2019/20 £220,000 was allocated to a designated reserve for a transformation programme as agreed by the Trustees. In 2021/22 the Trustees agreed to allocate a further £50,000 to increase capacity. The funds are expected to be spent over the period April 2020 – March 2024. The purpose of the expenditure is to strengthen the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy. The costs include a Process and Change Manager, an interim management promotion and assistant support to the management team. The funds were exhausted in the year.

In 2020/21 £100,000 has been designated by the Trustees to the Kind Unbound Philanthropy Fund. Previous grants from this funder have been restricted to the furtherance of the objectives of the KIND project. Although this grant is unrestricted, the Trustees have determined that it will be solely applied to KIND. The designated funds were applied to KIND in the year to March 2023 and utilized in the year to March 2024.

The Coventry premises are occupied under a sub lease with the primary lessee of the property. It came to the attention of the Trustees in the year to March 2022 that the primary lessee was uncertain as to whether they would renew the existing lease with the landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of the dilapidations schedule was an estimated cost of £200,000 (May 2021). Therefore the Trustees decided to allocate an equivalent sum to a designated fund to provide for such an eventuality over and above any amount already written off through the SOFA as a recognised provision against such costs. A further review of dilapidation costs in view of new developments with the lease arrangements led to the designation of the dilapidations fund in the previous year. At the time should the lease be terminated, CELC would have needed to move to new premises, either leasehold or freehold. The Trustees therefore allocated £415,000 to the Property Security Fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs. During the year to March 2024 new leasehold premises were identified and it was determined that a move to the new premises should take place in the year to 31st March 2025. The Property Security Fund being no longer required was designated.

Crispin Passmore a former CEO of CELC makes an annual donation to support the work of CELC. The Trustees have determined that these funds should be set aside for the development of trainee legal staff within CELC and as such a designated fund has been created.

The Trustees are aware of the difficulties being faced by employees in the current "Economic crisis." A sum was allocated to a Cost Of Living fund to provide for a one-off payment to staff in the year 2022/23.

New leasehold premises having been secured and to be relocated to in the year to March 2025, the Trustees allocated funds to the New Premises Fund to cover improvements required, costs of moving and loss of income due to disruption to work during the period of the move.

The Trustees agreed to allocate funds to a New Projects Fund. This is to ensure that funds are available to set up a project where immediate need is identified but funding is not yet secured or to bridge gaps in funding where the project funding stream is not continuous. Such funding is required to expand the capacity of the Welfare Benefits Team to develop a hub to bring together our poverty work, which will be financed from internal resources in 2024 until external funding is successfully secured. Similarly, a project meeting the needs of survivors of domestic violence will be established in 2024 and draw upon this fund prior to securing external funding. The Oak Foundation funding ceases in 2024 and is renewed at a date later than the cessation date, so funding is not continuous, this fund will be utilised to resource the interim period.

The Work in Progress Fund recognises that long term work in progress, over one year old with no movement on the matter in the last year is not part of the current working capital of the charity and therefore not readily available for use elsewhere within the activities of the organisation.

The accounts are drawn up on the assumption that core funding streams will continue or be replaced by similar income should they cease in the future. The Grant Cessation Adaption Fund is an amount set aside should core funding streams cease to ensure that the required changes to core costs and activities can be made in an efficient, gradual and phased manner, to best serve the needs of the organisation and its beneficiaries preventing the sudden cessation of some services.

The Workforce Development Fund represents reserves put aside to provide for the development of competitive pay and benefits, to address current staff recruitment difficulties.

The General Fund balance is that which remains after designations from unrestricted funds and represents the working capital of the charity, needed to meet monthly and quarterly outgoings

Notes to the financial statements

For the year ended 31 March 2024

17b Movements in funds (prior year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 1 April 2023 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
The Oak Foundation	–	96,000	(96,000)	–	–
Subscription fund	–	600	(600)	–	–
Access to Justice Foundation – IOTLS	–	15,000	(15,000)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	30,000	(30,000)	–	–
Access Your Right To Care	–	40,000	(40,000)	–	–
Coventry Building Society – Ukraine Support	–	10,000	(10,000)	–	–
Coventry Building Society – Cost of Living Fund	–	5,000	(6,009)	1,009	–
Voluntary Action Coventry – Independent Health Complaints Advocacy	5,009	60,000	(56,350)	–	8,659
Anchor Centre	–	9,016	(9,016)	–	–
Comic Relief – Ignite Project	–	40,767	(40,767)	–	–
Kids in Need of Defense	479,744	442,443	(714,203)	–	207,984
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	53,082	(53,082)	–	–
Smallwood Trust – DV Immigration NRPF	–	24,560	(24,560)	–	–
Coventry City Council – EUSS Complex Cases Project	–	46,093	(46,093)	–	–
Coventry City Council – Migrant Rights in the Community	–	28,641	(28,641)	–	–
Access Your Right To Care	–	21,624	(21,624)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	54,084	(54,084)	–	–
The Baring Foundation – Community Justice	–	13,333	(13,333)	–	–
The Legal Education Foundation – Justice First Fellowships	–	31,815	(31,815)	–	–
Nuffield Foundation – Legal Needs Research	–	9,578	(9,578)	–	–
NHS Innovation Fund – Enhanced Legal Support Project	–	7,201	(7,201)	–	–
Coventry & Warwickshire ICB – Health Justice Partnership	–	–	(978)	–	(978)
Birmingham City Council – Asylum, Migration & Integration Fund	–	78,704	(89,779)	11,075	–
Outreach sessions	–	8,000	(8,000)	–	–
Total restricted funds	484,753	1,575,267	(1,856,439)	12,084	215,665
Designated funds:					
Transformation fund	159,607	–	(82,155)	–	77,452
Legal Support fund	169,176	–	(157,464)	(11,712)	–
Kind Unbound Philanthropy Fund	100,000	–	–	–	100,000
Crispin Passmore donation	–	16,910	(4,256)	16,126	28,780
Dilapidations fund	52,000	–	–	(52,000)	–
Property Security Fund	415,000	–	–	–	415,000
Cost of Living fund	100,000	–	(99,174)	(826)	–
Total designated funds	947,978	16,910	(343,049)	(48,412)	621,232
General funds	1,066,704	855,465	(524,969)	36,328	1,433,528
Coventry University	–	85,016	(85,016)	–	–
University of Warwick	–	76,292	(76,292)	–	–
Birmingham City University	–	121,344	(121,344)	–	–
Total unrestricted funds	1,066,704	1,138,117	(807,621)	36,328	1,433,528
Pension reserve	(488,000)	488,000	–	–	–
Total funds including pension fund	2,011,435	3,218,294	(3,007,109)	–	2,270,425

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (continued)

Purposes of restricted funds

Access to Justice Foundation – Improving Lives through Advice

Core costs to support the delivery of free legal advice to marginalised people and communities.

Access to Justice Foundation – Improving outcomes through legal advice

To sustain and improve access to early social welfare and family legal support and advice to enable users to resolve their problems as early as possible and avoid the need for court and tribunal processes where possible.

Access to Justice Foundation – Support for Litigants in Person

Delivery of advice and support to Litigants in Person with employment rights issues, and research seeking to understand the role of early advice in reducing the number of cases being heard in Tribunals.

Access Your Right To Care

To provide consultancy support to Access – a social care charity.

Allen & Overy – Volunteers

A contribution to supporting student pro bono clinics.

Anchor Centre

Advice and casework for people that are homeless or insecurely housed.

Birmingham City Council – Asylum, Migration & Integration Fund

Foundations of Integration project. To improve provisions to support Third Country Nationals (TCNs) in accessing information, advice and guidance to further their integration and contributing to the development of an online portal.

BVSC – Improving Outcomes for Inclusion Health Groups

To support improved health and care outcomes Birmingham's most vulnerable citizens in inclusion health groups with a focus on new migrants, refugees and asylum seekers.

City of Wolverhampton – West Midlands Strategic Partnership
Comic Relief (via Early Action Neighbourhood Fund)

To provide immigration advice to social workers in 14 local authorities
To fund the Ignite project – a change programme in partnership with Grapevine to promote early action in two public services in Coventry.

Coventry & Warwickshire ICB – Health Justice Partnership

Provision of proactive and early social welfare advice to NHS primary care patients in the Coventry and Warwickshire Area.

Coventry Building Society – Cost of Living Fund

Support to help those impacted by the Cost of Living crisis.

Coventry Building Society – Homelessness Prevention Project

Funding for housing advice to prevent Homelessness.

Coventry Building Society – Intensive Support

Providing intensive support to people facing housing issues.

Coventry Building Society – Mental Health

Providing support to people with mental health issues facing housing issues to maintain tenancies and improve housing situation.

Coventry Building Society – Welfare Benefits Cap

Providing welfare benefits advice and casework to people facing benefit cap.

Coventry City Council – EUSS Complex Cases Project

Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.

Coventry City Council – Core grant

To provide social welfare legal casework for people in Coventry.

Coventry City Council – Migrant Rights in the Community

To provide outreach services and advice to community organisations and immigrants to raise awareness legal rights and access to related services.

Home Office – EUSS

Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.

Kids in Need of Defense

Working with a consortium to provide pro bono service for children to receive immigration advice.

Legal Aid Agency – Trainee solicitors

To provide support to trainee solicitors employed by CELC

Lloyds Bank Foundation – Sanctions Project

A project to explore potential discrimination and bias in the universal credit sanctions system in partnership with the Public Law Project.

National Lottery – Action for Housing Project

Short-term funding for the Action on Housing Rights project in which student volunteers produced Public Legal Education (PLE) resources for people living in temporary accommodation in Birmingham.

NHS Innovation Fund – Enhanced Legal Support Project

Specialist legal advice and representation extending to issues beyond the legal matter targeted at people with mental health issues.

Nuffield Foundation – Legal Needs Research

Local qualitative research into the impact of the pandemic on the rights of those with longstanding legal needs and disabilities and the role of trusted intermediaries in supporting access to justice.

17b Movements in funds (continued)

Smallwood Trust – Birmingham NRPF Women's Support Network	Partnership project in Birmingham to support women, and their children, with no recourse to public funds and experiencing domestic abuse to gain legal assistance and practical and emotional support as well as develop a programme to bring about systems change for women with NRPF in Birmingham.
Smallwood Trust – Improving Financial Security of Women	A partnership with Women's Organisations in Coventry to provide more co-ordinated services for vulnerable women.
Subscription fund	A regular donation to pay for a subscription is made by an ex-employee.
The Baring Foundation – Community Justice	Core funding to support delivery of free social welfare legal advice for marginalised people and communities.
The Legal Education Foundation – Justice First Fellowships	Funding to support training contracts for social welfare lawyers.
The Oak Foundation	Support for core costs of Birmingham service with a focus on expanding law centre capacity to reduce the number of people who are homeless/at risk of homelessness by providing expert legal advice/representation in welfare benefits, debt, housing, community care, immigration and public law.
Voluntary Action Coventry – Independent Health Complaints Advocacy	To provide independent advocacy to people with health complaints throughout Coventry.
Purposes of contracts	
Coventry University	For supervision of students to run advice clinics alongside staff
University of Warwick	For supervision of students to run advice clinics alongside staff
Birmingham City University	For supervision of students to run advice clinics alongside staff

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period (as per the statement of financial activities)	225,049	211,185
Depreciation charges	–	–
Interest receivable	(41,671)	(19,249)
Increase in work in progress	(124,057)	(112,409)
Decrease/(increase) in debtors	(355,013)	293,495
(Decrease)/increase in creditors	145,939	(17,696)
Increase/(Decrease) in pension scheme liability	–	(488,000)
Net cash provided by / (used in) operating activities	(149,753)	(132,674)

19 Analysis of cash and cash equivalents

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,053,668	(108,082)	945,586
Total cash and cash equivalents	1,053,668	(108,082)	945,586

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods.

	Property* 2024 £	2023 £	Equipment 2024 £	2023 £
Less than one year	48,659	–	3,956	3,956
One to five years	259,517	–	11,522	14,689
Over five years	16,220	–	–	789
	324,397	–	15,478	19,434

*The property lease was entered into and signed on the 24th June 2024 commencing on 1st July 2024 with a break clause after 5 years.

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Pension commitments

On 21 November 2023 the charity closed to the defined benefit scheme, managed by the West Midlands Pension Fund (WMPF), to future accrual, which impacted 1 member of staff. The assets of the scheme are held separately from those of the charity by West Midlands Pension Fund. Contributions to the scheme were charged to the Statement of Financial Activities so as to spread the cost of pensions over the employees' working lives with the charity. The cost of CELC's employer contribution to WMPF for the period ended 21 November 2023 was £2,929 (2023 £4,346), employee contributions £1,269 (2023 £1,894).

On withdrawal from the WMPF the scheme actuary calculated a valuation on a cessation basis and an asset net of expenses of £215,000 was realised. The valuation in the previous year was calculated on an FRS102 basis and as such, it is not possible to reconcile this with the realised asset

Cessation Basis Valuations

For the purposes of withdrawal from the WMPF the scheme actuary provided two cessation valuations as at 21st November 2023 based on current actuarial assumptions

	Funding Position 1		Funding Position 2	
	£000	£000	£000	£000
Surplus/(deficit) at 31 March 2022		471		471
Interest on surplus/(deficit)	34		34	
Investment underperformance	(210)		(210)	
Contributions less than cost of accrual	(6)		(6)	
Change in market conditions	864		771	
Move to cessation funding assumptions	(640)		(640)	
Allowance for April 2024 PI	(99)		(99)	
Membership Experience	(199)		(106)	
Surplus/(deficit) at cessation date		215		215

Principal Actuarial Assumptions	Basis of valuation	Cessation Nov-23	FRS 102 2023
Discount rate for scheme liabilities		4.30%	4.75%
Rate of increase in salaries		3.90%	4.00%
Rate of increase of pensions		2.90%	3.00%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

<i>Retiring today</i>		
Males	21.0	20.9
Females	24.8	24.7
<i>Retiring in 20 years</i>		
Males	22.3	22.1
Females	25.7	25.7

FRS102 valuations below are provided for comparative purposes only

The charitable company's share of the assets and liabilities in the scheme and the expected rates of return were:

	Nov-23 Expected rate of return	Value Nov-23 £'000	2023 Expected rate of return	Value 2023 £'000
Equities		-		1,994
Government Bonds		-		645
Other Bonds		-		-
Property		-		205
Cash/liquidity		-		88
Other		-		-
Total market value of assets		-	1.35%	2,932
Present value of scheme liabilities – Funded		-		(2,543)
Surplus/(Deficit) in the scheme		-		389

To develop the expected long-term rate of return on assets assumption, the employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio. This resulted in the selection of the above assumptions.

22 The total return on the fund assets for the year to 31 March 2023 is £40,000.

Pension commitments (continued)

	Nov-23 £'000	2023 £'000
Amounts recognised in the statement of financial activities:		
Service cost	-	16
Net interest on the defined liability (asset)	-	13
Administration expenses	-	-
Total operating charge	-	29

Notes to the financial statements

For the year ended 31 March 2024

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

	Nov-23 £'000	2023 £'000
Change in benefit obligations		
Benefit obligation brought forward		3,444
Service cost	-	16
Interest cost	-	92
Change in financial assumptions	-	(1,136)
Change in demographic assumptions	-	50
Experience (gain) on defined benefit obligations	-	146
Contributions by scheme participants	-	2
Past service costs, including curtailments	-	-
Estimated benefits paid net of transfers in	-	(71)
Benefit obligation carried forward	-	2,543

	Nov-23 £'000	2023 £'000
Change in plan assets		
Fair value of plan assets brought forward		2,956
Interest on assets	-	79
Return on assets less interest	-	(95)
Other actuarial gain	-	56
Administration expenses	-	-
Contributions by employer including unfunded	-	5
Contributions by Fund participants	-	2
Estimated benefits paid net of transfers in	-	(71)
Fair value of plan assets carried forward	-	2,932

The employer expects to contribute £4,500 in the year to 31 March 2024.

Five year history of experience adjustments

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Benefit obligation at year end	-	2,543	3,444	3,600	2,842
Fair value of plan assets at end of year	-	2,932	2,956	2,783	2,346
Deficit	-	389	(488)	(817)	(496)

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales - Charity number 1087312

Accounts

Company number: 4149673
Charity number: 1087312

Central England Law Centre Limited

Report and financial statements
For the year ended 31 March 2023

Contents

For the year ended 31 March 2023

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Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2023

Company number 4149673
Country of incorporation United Kingdom

Charity number 1087312
Country of registration England & Wales

Registered office and operational address Oakwood House
St Patrick's Road Entrance
Coventry
CV1 2HL

Trustees The trustees (also directors under company law) who served during the year and up to the date of this report were as follows:

K Wilding	Chair
G Moffatt	Vice Chair
Professor J McHale	
C King	
R Alomo	
T Bannister	
Councillor J Tucker	(Resigned 23 February 2023)
R Kodakndala	(Resigned 21 July 2022)
A Christie	(Appointed 25 October 2022)
Councillor A Jobbar	(Appointed 31 January 2023)
Dr S Raistrick	(Appointed 29 November 2022)

Key management	E Hill	(Chief Executive)
Personnel	P.O'Donnell	(Director of Finance)
	C Stern	(Deputy Chief Executive)
	L Nash	(Head of Legal Casework and Compliance)

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill,
West Malling
ME19 4JQ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON,
EC1Y 0TL

The trustees (also known as directors) present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976. Central England Law Centre continues the work of Coventry Law Centre in line with its own objects, maintaining its operations from the city centre of Coventry, and expanding to provide services in Birmingham.

Directors and trustees

The directors of the Central England Law Centre Ltd are its trustees for the purpose of charity law.

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's purposes as set out in the objects contained in the company's Memorandum of Association are:

- i) The relief of financial hardship and other forms of distress among the people of Central England and others through the provision of legal and other advisory, representation and information services which they could not otherwise obtain through lack of means;
- ii) The advancement of education of the public by the improvement and diffusion of knowledge of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty;

- iii) To promote such other charitable purposes as are for the benefit of the people of Central England.

These are summarised in our statement of purpose:

To fight social exclusion in communities and to effect change in society by increasing rights awareness and using legal processes to fight poverty, inequality and discrimination.

Trustees paid due regard to the guidance issued by the Charities Commission in relation to public benefit in deciding that all activity undertaken by the charity must be in support of strengthening and expanding its capacity to make people aware of their rights, to provide legal advice and representation and to improve its ability to reach the most vulnerable individuals and communities.

The key issues underpinning the strategic aims for 2021–24

The last 12 months has continued to be difficult in terms of the cost-of-living crisis that comes after an extended period of social and economic uncertainty with the effects of the COVID-19 pandemic still being felt. This has created a significant challenge to living standards for us all but particularly for those on low incomes and the effect is that there is an ever-growing gap between what people have and what they need for a decent standard of living. More people do not have enough money to cover their basic needs and more people are denied access to justice to challenge unfair decisions and enforce their rights. This is putting additional pressures on the voluntary and statutory support services with which we partner. The legal aid system in its current form is not fit for purpose and alone, cannot meet the legal needs of our community or individual clients. These are sector-wide challenges that have left large swathes of the United Kingdom without access to legal aid providers, effectively creating 'legal deserts'. We are experiencing large levels of demand beyond our capacity for immigration, employment and family law advice. There is an increasingly harsh climate for migrants with the tightening of immigration rules, making things very difficult for some of our clients and a growth in the numbers of people with no recourse to public funds.

Strategic aims for 2021–24

- Providing legal expertise across eight different areas of social welfare law – offering services that can address all the interconnected problems people face in their everyday lives.
- Working to build knowledge of legal rights and the ability to manage day-to-day issues that have a legal solution within the most vulnerable communities where we work.
- Making our advice and representation services easily accessible to those who are socially excluded and need them most.
- Using our knowledge of the communities we work in to influence local and national policy makers and sometimes being a voice for those who are seldom heard.
- Using our legal practice to change the law by seeking and pursuing public interest cases.

In 2022 we brought these aims together under a refreshed organisational strategy – rights in the community which focusses on harnessing the combined power of our work with people, partners and policy makers to have the biggest impact for our community. This strategy is underpinned by our belief that the cultures, systems and behaviours that reinforce unfairness, disadvantage and inequality need to be changed. We believe that only by activating and embedding rights in communities can this be achieved, ensuring early and preventative action is taken to protect the rights of socially and economically disadvantaged individuals and communities. The strategy focuses our skills and resources in three key areas:

People: The key driver for our approach and the largest volume of our activity is our work with individuals to ensure more people are protected by their rights and, to build their understanding, of where they can use legal rights to protect themselves in the future.

Partnerships: The formation and maintenance of close partnerships with other community-focused service providers, to place legal rights at the heart of their work and to activate a rights-based approach in their interactions with service users. To blend our work with theirs, so that, together we can offer holistic support to people.

Policy: We identify and share evidence of strategic issues, service gaps and patterns in clients' needs and use it as the basis for strategic action and influencing activity; we take strategic action at a local, regional and national level to influence change in policy and legislation, ranging from strategic litigation, membership of local statutory steering groups, boards and advisory bodies through to the work of the Strategic Justice Law Clinic, work on national campaigns and responding to calls for evidence.

Below sets out our achievements against these aims and our work to embed our refreshed organisational strategy in 2022–23.

Achievements and performance

All our charitable activities focus on strengthening and expanding our capacity to raise rights awareness, to provide legal advice and representation, to influence policy makers, and to improve our ability to reach the most vulnerable individuals and communities. This year we were very fortunate to secure core funding from the The Legal Education Foundation (4 years), the Esmée Fairbairn Foundation (5 years) and the Paul Hamlyn Foundation (3 years) which has enabled us to also start to undertake some key organisational development work.

Organisational Development

We have implemented a **new leadership structure to strengthen the organisation operationally** and to support the implementation of our strategy. New roles include a Rights in the Community (RIC) Lead; Director of Positive Action on Poverty; Deputy CEO, Projects and Learning Manager and Director of Legal Casework and Compliance.

Trustees' annual report

For the year ended 31 March 2023

We have implemented **mechanisms to develop stronger cross team collaboration** to bring the skills of all our legal teams around the most pressing issues in our community. This includes thematic meetings convened monthly bringing together staff across the organisation at all levels. They currently focus on the following broad themes arising from staff consultation and discussions with partners: Housing and homelessness; immigration status and interconnection to accessing other rights, unmet care needs, and poverty.

We have also focussed on the **mechanisms to improve evaluation and learning of our work**. We have developed team plans (logic trees) that link day-to-day activities to the strategy, rolled out a new enquiries management system developed utilising Office 365 capabilities – over time this data will show long term trends across Birmingham and Coventry, developed a project management structure that focusses on aligning outcomes and impact with our strategy and extracting learning from implementation.

We **commissioned a workforce development review by the Centre for Charity Effectiveness (CCE)** to explore the extent to which our current approach to pay and reward was fit for purpose and to better understand the implications of this for recruitment and retention. The findings have led to the development of a workforce development sub-committee of the Board and the recruitment of a workforce development consultant to work with us over the financial year 2023–24.

Development of staff

All staff continued to benefit from development and training to meet needs identified through the charity's staff appraisal process.

Volunteers

Volunteers provide invaluable support to our work across both our offices. We had over 200 volunteers supporting work in all of the teams during the year with the majority being drawn from Law Schools in Universities in the region.

Volunteer solicitors and barristers acting in a Pro Bono capacity from a range of Law Firms, including Allen & Overy, Capsticks, St Phillips Chambers and Littleton Chambers add capacity to our employment advice helpline.

The Kids in Need of Defense UK collaboration was supported by over 680 volunteers from 43 corporate law firms and in-house legal departments, as well as 20 student volunteers from Birmingham City University. More details can be found at: [Our Partners – Kids In Need Of Defense UK](#)

Service delivery

We provide a comprehensive service: encompassing casework, representation, legal education and rights-awareness raising, as well as working with partners to influence service delivery and knowledge of people's rights.

Coventry

In Coventry, we offer free advice and representation in the following areas of law:

- Employment and Discrimination
- Family
- Immigration and Asylum
- Housing
- Health and Social Care
- Public Law
- Welfare Benefits

We primarily advise residents of Coventry and those who work in the city with some reach into Warwickshire. The areas of law covered under legal aid contracts are housing, community care, family, asylum, discrimination, and public law.

We benefit hugely from funding from Coventry City Council and an expanding range of other forms of funding to provide services. Other funding we have received has supported a programme of work that focuses on particularly vulnerable groups of people.

In 2022–23 we began these new activities in Coventry:

- An initiative in collaboration with Coventry City Council – Migrant Rights in the Community Project (MRIC). Through outreach, training and awareness raising for staff and volunteers about migrant rights in schools, foodbanks, community organisations and family hubs we are reaching people whose immigration status is impacting on their ability to access services and support.
- With funding from the NHS Innovation Fund a project to deliver intensive support to people with poor mental health issues focussing on early intervention and solutions that prevent people reaching a point of crisis.
- With funding from the Nuffield Trust to partner with Warwick University and Law for Life and 7 community partners to undertake a Coventry Legal Needs study to understand the experiences of marginalised groups in dealing with law-related issues. In contrast to traditional legal needs studies, the study uses qualitative methods, has a local focus, and offers community partners the opportunity to participate in public legal education (PLE) workshops based on emerging findings.
- We have received funding from the Legal Education Foundation Justice Lab to work in partnership with Policy in Practice who are the developers of the Low-Income Family Tracker to pilot how administrative data in the dashboard can be used to demonstrate the impact of specialist legal advice.

As part of our work to respond to the cost-of-living crisis we have undertaken the following:

- A number of projects in collaboration with the benefits and revenues, transformation and customer services team at Coventry City Council in order to improve access to early specialist advice for people accessing Council support. As members of the Low-Income Family Tracker project board alongside Council staff, we have scoped projects that identify groups of people that with specialist legal advice could have significantly better outcomes and financial support.

We have focussed on people impacted by sanctions, the benefit cap and those with NRPF struggling to access their entitlement to free school meals. We launched a campaign including a bank of written resources and training/awareness raising activities to help voluntary sector partners and individuals gain the knowledge and confidence needed to challenge sanctions.

- With Grapevine Coventry and Warwickshire, we have convened a Coventry Poverty Alliance bringing together over 100 organisations in the voluntary, community, faith and statutory sector working on the front line responding to the cost-of-living crisis. As well as gathering information from the front line on the scale of the crisis it is also aiming to build collaboration across the city to reach the most vulnerable.

In 2022–23 we continued to deliver the following activities in Coventry:

- With funding from Coventry Building Society to support our housing team in its homelessness prevention work we can also provide intensive support to people with mental health challenges.
- Virgin Health provide funding for us to advise people at The Anchor Centre, a medical centre for those who are homeless or insecurely housed.
- The Smallwood Trust continued to fund us to work in partnership with four women's organisations, as part of the Coventry Women's Partnership, to improve economic outcomes for women by providing joined up front line support. We employ an immigration adviser to focus on the legal needs of victims of domestic violence and a generalist caseworker to support women with a range of legal needs to access legal advice from across the Law Centre.
- In partnership with Coventry City Council, we have received funding to assist people with complex cases in securing EU settled status.
- We are subcontracted by Voluntary Action Coventry to run an Independent Health Complaints Advocacy Service (IHCAS) providing a casework service to support clients in progressing formal complaints regarding health services, including those provided by dentists, GPs, NHS hospitals or care in a private hospital if it was paid for by the NHS, as well as complaints about NHS Continuing Healthcare. Where appropriate, the service also supports clients to complain to the Parliamentary and Health Service Ombudsman. We will stop delivering this service in June 2023.
- We continue to partner with both Coventry University and the University of Warwick, who provide funding for supervision of their students to run advice clinics alongside our staff. We also deliver the Strategic Justice Law Clinic, a joint initiative with Warwick Law in the Community (LinC). It specialises in using public law strategically to address systemic disadvantage and achieve effective change. As part of SPLC, students work on a variety of projects that we would be unable to pursue without their support. Overall this year, 100 students have assisted in increasing our capacity in employment and immigration advice in Coventry, as well as representing clients in disability benefit appeals and supporting our public law work.

Birmingham

In Birmingham our focus is on upholding the rights of migrants, including tackling destitution and homelessness, and on building new services that are relevant for the local community. In Birmingham, we offer free advice and representation in the following areas of law:

- Employment Discrimination
- Housing
- Immigration and Asylum
- Welfare Benefits
- Health and Social Care
- Public Law

The Oak Foundation provided core funding for our work in Birmingham, providing a secure base for our other projects and legal aid contract services.

Our partnership with Birmingham City University, who provide funding for supervision of their students to run advice clinics alongside our staff, continues. This year 100 students have assisted in increasing our capacity in employment, immigration advice, housing advice, as well as representing clients in disability benefit appeals.

We have continued to work in partnership with local frontline organisations Hodge Hill Hub and ASIRT (until their closure in February 2022) which has enabled us to provide benefits, immigration and community care advice to their most vulnerable clients.

In 2022–23 we began these new activities in Birmingham:

- A Birmingham NRPF domestic violence network – with Birmingham and Solihull Women's Aid, Red Cross, Baobab, Roshni and Refugee and Migrant Centre. Our role is to provide legal advice and representation to clients referred into the network who need to access the Domestic Violence Concession scheme as well as women seeking protection from their abusive partners who need legal advice to access welfare benefits and other services they are entitled to. Our service is direct referral which means women do not need to tell their story multiple times and can benefit from help across the network. Together we are advocating for local solutions for women who are not entitled to the Domestic Violence Concession scheme and changes to the law so more women with no recourse to public funds in abusive relationships can change the conditions of their leave to remain and receive support to escape domestic abuse.
- With funding from the Fairers Future Fund increased capacity to support people with insecure immigration status including survivors of domestic abuse with advice around entitlements to welfare benefits and other services.

National reach projects

- We continue to lead a consortium funded by Paul Hamlyn Foundation, Barrow Cadbury, Esmée Fairbairn Foundation, Oak Foundation, Trust for London, AB Charitable Trust, City Bridge Trust and Microsoft, which has established a pro bono service for children to receive immigration

advice. It is called Kids in Need of Defense UK. It has so far helped more than 2,000 children with citizenship or leave to remain applications.

- We are continuing to support the charity, Access Your Right to Social Care, providing legal expertise and strategic support in their third year of operation.

Our impact

To read more about our impact see [CELIC impact report 2022-23 \(centralenglandlc.org.uk\)](https://centralenglandlc.org.uk)

Our activity in numbers

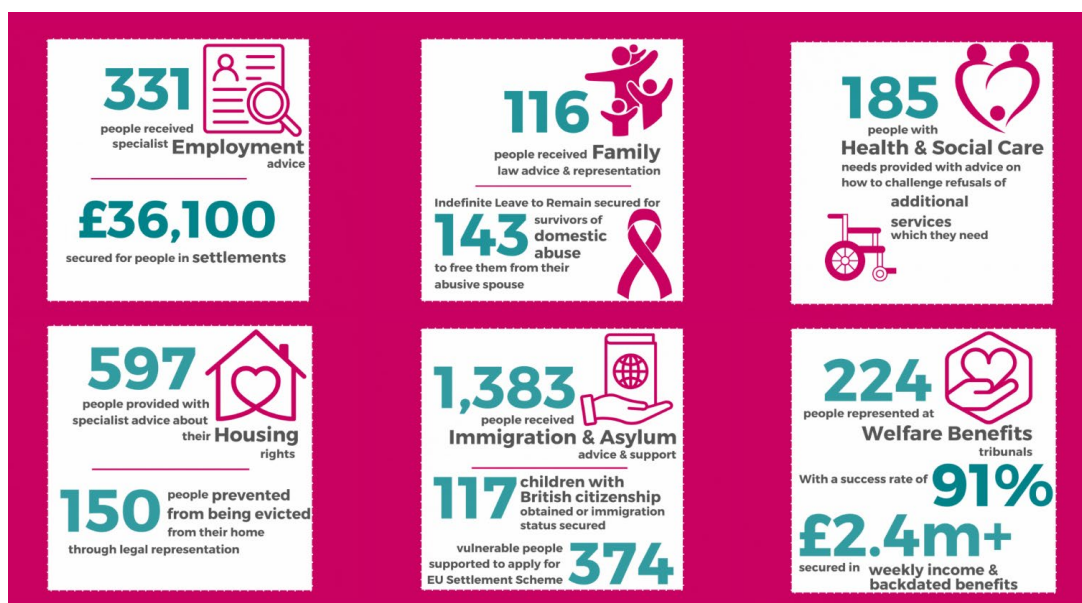
During 2022/23 we responded to over 7,000 enquiries for legal advice across our two offices. We provided 4,237 people with legal advice on how to resolve their issues. This included starting new legal casework and representation to 1,446 people. We also continued to work on (and conclude) 1,577 cases that had been started in previous years.

In Coventry we started 949 new legal cases, concluded a further 493 cases that had been opened in previous years and continued to work on 728 cases which had been opened in previous years which had not yet reached their conclusion.

In Birmingham we started 308 new legal cases, concluded a further 165 cases which had been opened in previous years and continued to work on 191 cases opened in previous years which had not reached a conclusion.

We were unable to provide advice to 1,351 people with enquiries for areas of social welfare law that we cover as we did not have capacity in our legal teams to respond (19% of all enquiries).

Key outcomes of our work for people



Key outcomes of our partnership and policy work

- We provided a full response to a survey on the gender Gap in Access to Civil Legal Justice in England and Wales by the Womens Budget Group with many of our recommendations included in the final report included.
- We have secured support from West Midlands Combined Authority for facilitation support to use the [Commitment to Collaborate to Prevent and Relieve Homelessness Toolkit](#) with CRISIS Skylight in Coventry.
- We have been commissioned by the Law Centres Network to support a Baring Foundation funded hub model project as a learning partner. This involves supporting other Law Centres who are seeking to expand their offer to make strategic change in their community in partnership with their community based partners.
- We supported Asylum Matters campaign on the illegal immigration bill securing Coventry City Council's signed pledge to defend the right to seek safety from war and persecution in the UK.
- A panel of speakers from our housing, public law, immigration and health and social care team at the West Midlands Combined Authority NRPF Homelessness Task Force Conference followed by policy recommendations on how 'Exhausting All Options' can be put into practice nationally and locally.
- With Grapevine we hosted an event to bring together 37 organisations across Coventry for an urgent conversation about poverty. From this The Poverty Alliance has been formed with the aim of initiating discussion about poverty in the city and identifying practical activity and initiatives for frontline services.
- We have secured some very important judgements in strategic litigation cases this year. Our approach has been to focus on working with our community partners, intelligence from our own casework and enquiry data to emerge issues for strategic litigation. Through this our public law team have secured the following improvements to law and policy via:
 - A judgement requiring Birmingham City Council to publish a new NRPF policy immediately raising support levels of all families in the city being supported under the policy by approximately 30%, many of whom will now be receiving welfare-benefits levels of support. Other local authorities must now review and amend NRPF policies in order to make sure they comply.
 - A judgement that means families with pre-settled status under the EU settlement scheme will now be assessed and supported by Birmingham Children's Trusts NRPF team. Subsistence payments in line with the NRPF policy will be applied to these families; they will have access to suitable, long-term accommodation from Birmingham's stock.
 - A court of appeal ruling on the unlawfulness of the DWP's position to not provide advance payments to people making a UC claim, who had not yet received a NI number. This will prevent destitution for many people currently without income for 5 weeks while their UC claim is processed.
 - Permission granted for the Law Centre to challenge the lawfulness of current rules that exclude people with pre-settled status under the EU Settlement Scheme (who have no recourse to public funds) from accessing the Domestic Violence Concession Scheme –

which allows access to public funds temporarily to survivors of domestic violence to escape their abusive partners.

Beneficiaries of our services

We seek to make our services accessible to those who are vulnerable, disadvantaged and socially excluded. The need within the populations we service is high.

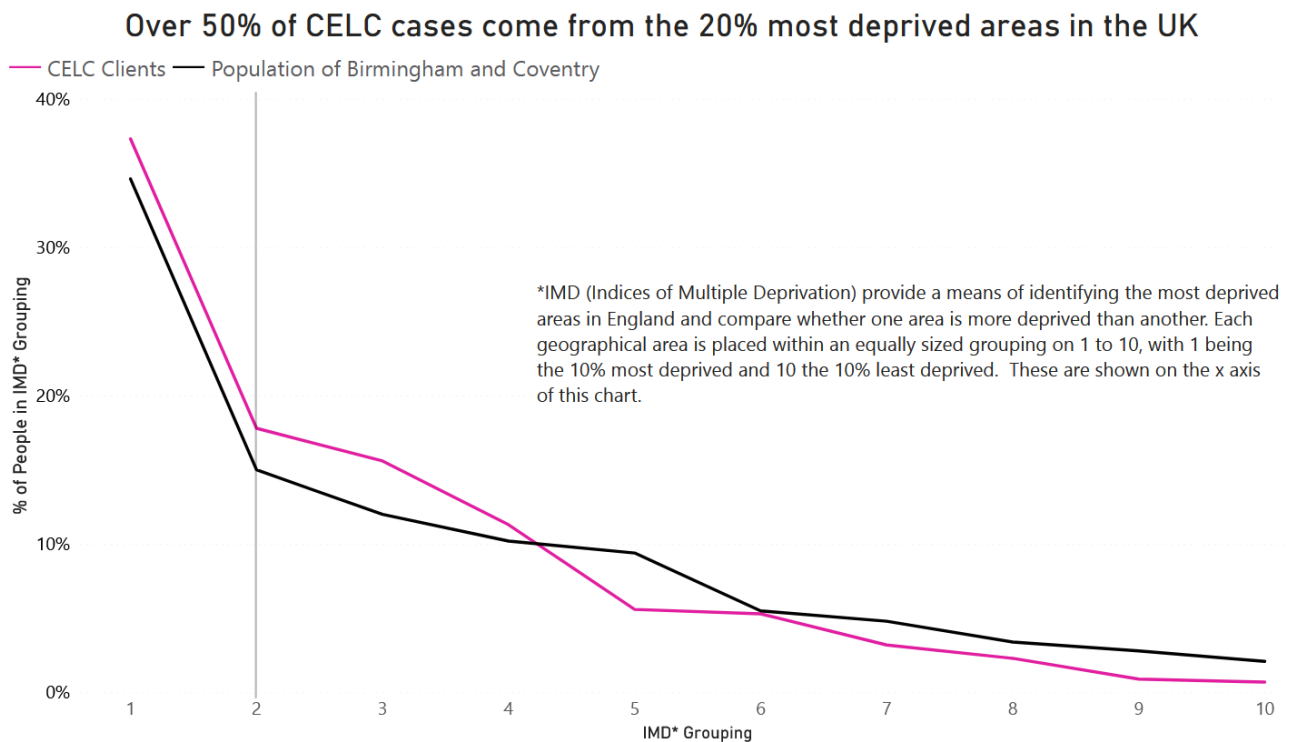
Coventry's population was 345,300 on Census Day 2021. [Facts about Coventry | Coventry City Council](#) provides the following insights into the needs of the residents of Coventry:

- 14% of residents lived in neighbourhoods in the top 10% most deprived in England.
- 37% of children in Coventry live in poverty, rising to 53% of children in poverty in St Michaels ward.
- 18% of households in Coventry are in fuel poverty, compared with 13.5% nationally.
- 14.4% of children are judged to be living in multiple deprivation.
- 17.7% of the population has a limiting long-term health problem or disability; the premature death rate and infant mortality rates are both higher than the national average and average life expectancy is shorter than the national average by a year for both males and females.
- The numbers of children looked after by the local authority per head of the under 18 population is almost 24% higher than the national average.
- 9.1% of residents have no qualifications.
- 17.3% of households have no working age residents, compared with the national average of 13.3%.
- Average annual income per head is £15,363, compared with an average of £21,609 nationally.

Birmingham's resident population is recorded as 1,144,900 according to the 2021 Census. An estimated 238,313 Birmingham residents were born overseas, of these, 44% (103,682) have been resident in the UK for less than 10 years. 2.4% of the population do not speak English well or at all. This is more than twice the regional and national averages.

Birmingham is ranked the third most deprived core city in the UK, behind Liverpool and Manchester, and is ranked the most deprived in terms of both income and employment deprivation.

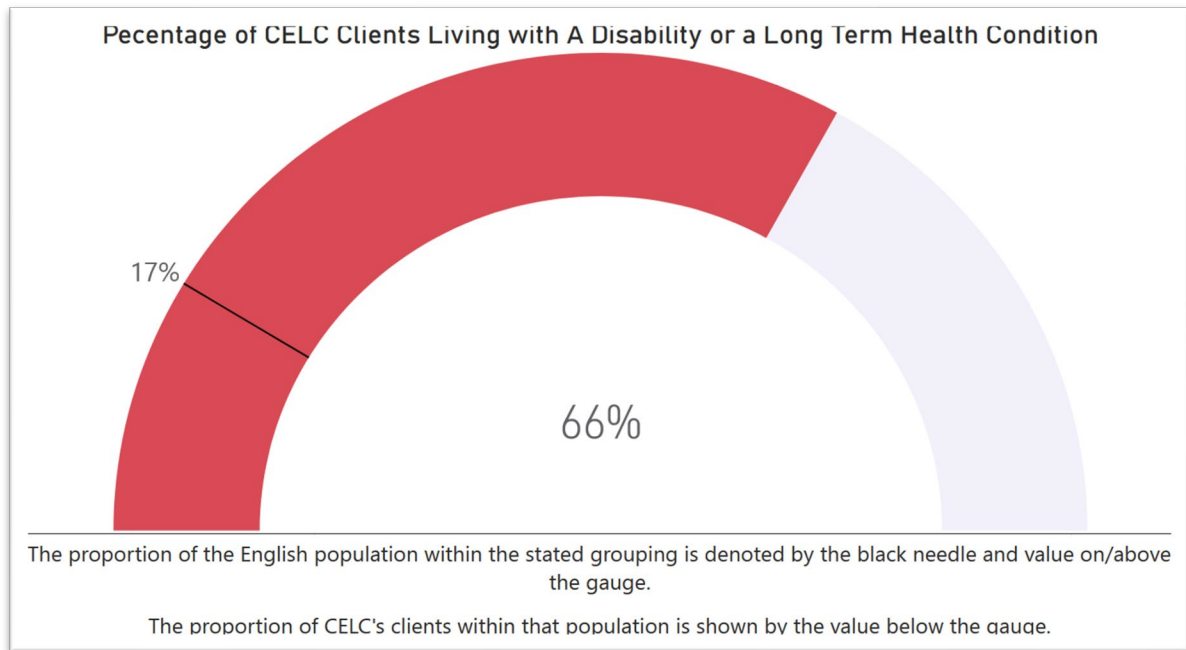
- 43% of the population live in LSOAs in the 10% most deprived in England
- 51% of children (under 16s) live in the 10% most deprived areas
- 28% of children live in income deprived households
- 26% of over 60s are income deprived
- The city is also the most deprived authority in the West Midlands Metropolitan area.
- 15% of the population has a long-term health condition or disability that limits their daily activity.



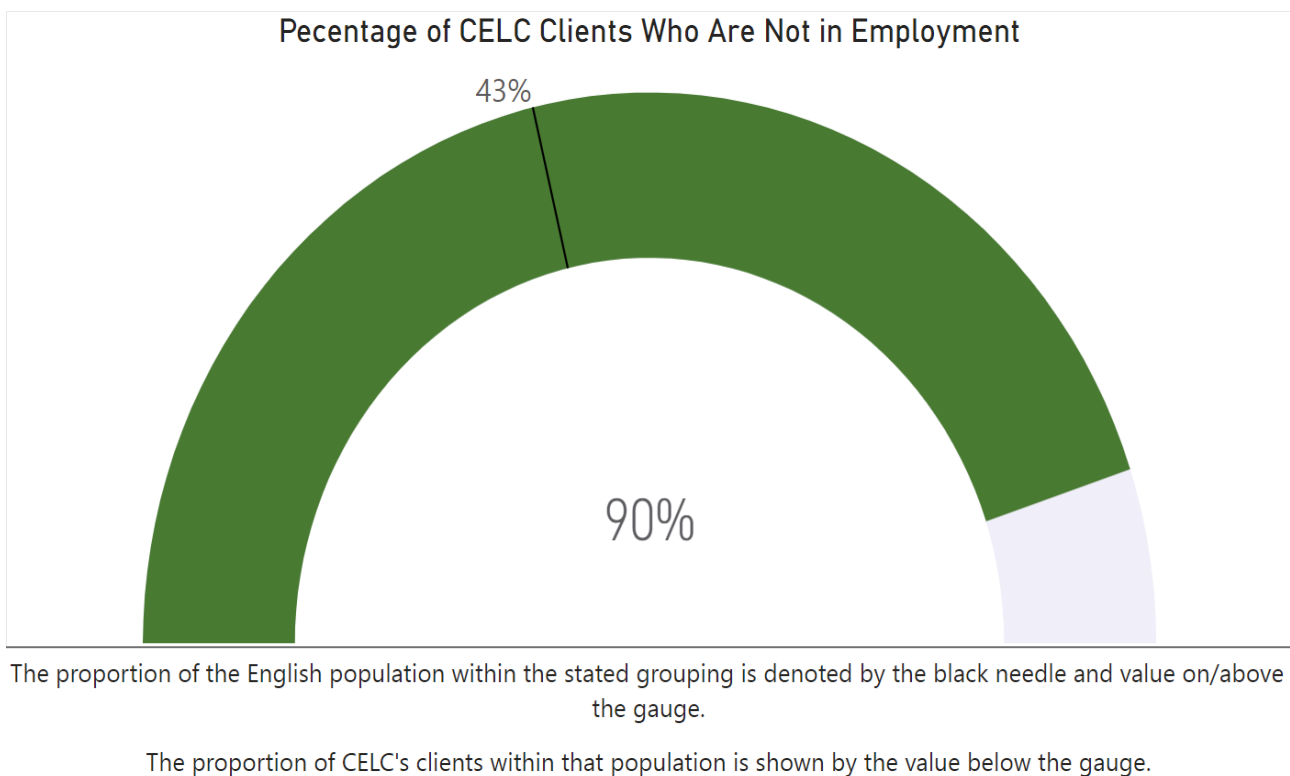
We ensure our services reach those who are most vulnerable by working in partnership with other agencies and community organisations to reach those people living in the most deprived areas of the city and those who are disabled or have physical or mental health problems. We prioritise cases where discrimination is a factor.

We are able to collect demographic information from clients that we provide a full casework service to and some clients that we provide one-off advice to (it is often easier to do this in formal settings like at a Housing Duty Scheme at court or an in-person, drop-in clinic). The data presented here is given in proportional figures only and is based on the actual responses we obtained. It is assumed that where clients have declined to give data, they are not substantially statistically different from those clients who do provide demographic information. The characteristics of the people we have helped during 2022/23 are set out on the following pages.

Disability: Across both offices 66% of our clients, we have engaged with have been disabled. This compares to a national figure of 17% of the English population.



Employment status:



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Though the age groups most likely to be economically active form the largest proportion of our client base, the majority (90%) of our clients were not working at all (either unemployed (52%), retired (2.5%), on long term sick leave (26%), or in full-time education (1.8%)) and only a small number (3.5%) were in full-time employment.

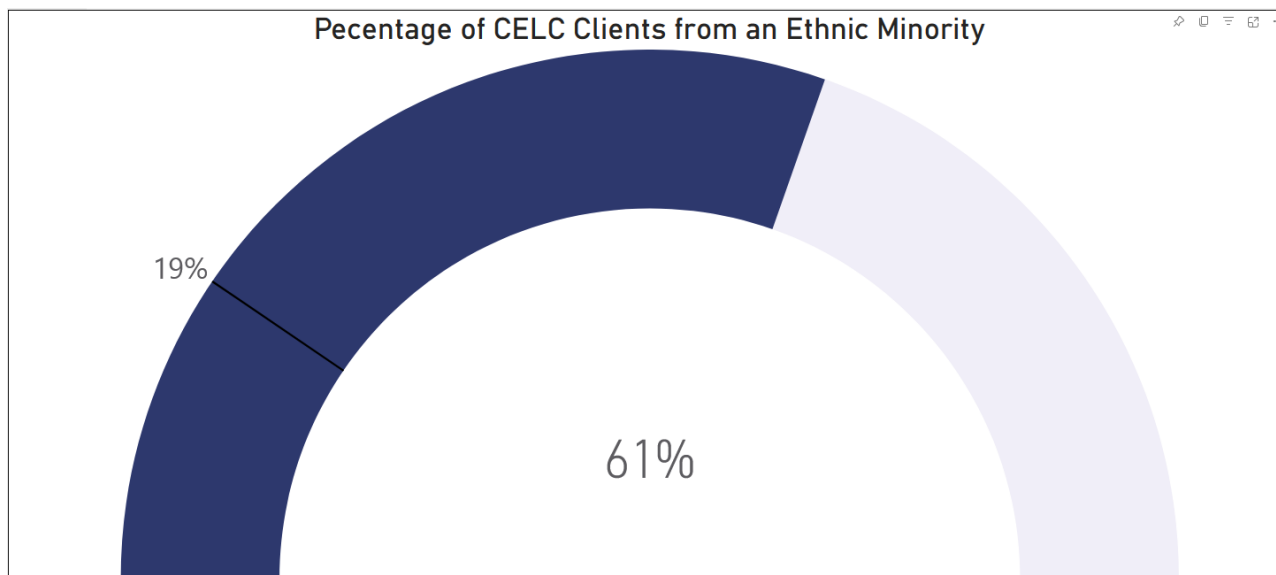
Around 45% of all people over 18 in the UK are classed as unemployed (they are looking for work but do not have a job currently) or 'economically inactive' (they don't have a job and are not looking for work). Around 60% of 'economically inactive' people are over-65 and likely to be retired, though some over-65s are still in or looking for work. Of the other 40% of economically inactive people, many are either in poor health or working as unpaid carers; someone is around five times more likely to be in poor health if they are unemployed, and around four times more likely to provide more than fifty hours per week of unpaid care. ¹

Ethnicity:

61% of CELC clients identify as People of Colour. This is contrast to the 19% of the national population.

¹ UK Census 2021

The ethnicity profile of clients is shown below² and represents a significant (71%) use of our services by minority ethnic groups. Both Coventry and Birmingham locations see a higher overall proportion of non-white service users than is represented in the local population³.



The proportion of the English population within the stated grouping is denoted by the black needle and value on/above the gauge.

The proportion of CELC's clients within that population is shown by the value below the gauge.

Financial review

Financial stability

In 2022/23 CELC reported an overall net increase in unrestricted funds of £480,273 (after actuarial gains of £512,000 relating to the West Midlands Pension Fund). General funds as at 31 March 2023 were £1,433,528 which is above the range Trustees have approved in the reserves policy below based on guidance outlined by the Charity Commission. The Trustees are aware that funds have increased due to the current defined benefit pension scheme deficit having been capped at nil value and that excluding that movement, the unrestricted funds would have decreased in value by £31,727 over the year.

The effects of COVID-19 still impact on Legal Aid income in 2022/23, most notably the suspension in evictions during the pandemic period on the casework of our housing team. The lifting of restrictions has meant that the Legal Aid teams have returned to working in the office, but there remains a lag in the return to previous volumes of work. Difficulties in recruiting suitably qualified

² Only declared ethnicities are shown. 19% of Birmingham clients and 35% of Coventry clients did not declare an ethnicity.

³ Local population demographics for 2020 estimated using 2001-2011 Census data and 2018 estimates by Coventry City Council and Birmingham City Council, using a linear proportional regression following existing demographic proportion trends.

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staff has also restricted this work. Legal Aid income increased slightly over the previous year but was below the level that might have been predicted pre-pandemic.

The impact on our budgeted grant funding was fortunately limited as we managed to renegotiate timelines and delivery methods with our funding partners where necessary. We also worked closely with our university partners in adapting our student clinics to align with their COVID safe practices so our work could continue.

Costs during the period have started to move closer to a pre-pandemic position, although it is anticipated that some changes will continue on a permanent basis. Savings have been made by adopting mixed work at home and in the office policies, whilst Covid adaptations and practices have led to increased costs. The current inflationary environment has caused both staff costs and overheads to increase at a much greater rate in comparison to recent years.

As in previous years, several new restricted and unrestricted grants from funders were secured to support current and new services and, to replace funding streams that came to cessation during the period. This enabled an expansion of services when they were most needed whilst maintaining financial stability. These grants funded additional staff and overhead costs whilst also substituting for some of the reduction in Legal Aid income, as resources were reallocated to support the new sources of funding. The increase in income means continued work with partner organisations beyond 2022/23. After review, the Trustees decided to de-designate the Legal Support Fund as its purpose fell within the primary objective of the charity.

We received further funding (£100K) from Unbound Philanthropy in 2022. Funding from this donor was restricted to expenditure on the KIND project in the past. The nature of this grant means that it is regarded as unrestricted income but the funds were exclusively to be used in the furtherance of the objectives of KIND. Therefore, as it is not regarded as being available as part of the general funds of CELC, the trustees allocated these funds to the KIND Unbound Philanthropy Designated Fund.

The designated transformation fund balance reduced as funds were allocated to improve the management structure, policies, procedures and governance of the organisation.

In 2021/22 the trustees undesignated £600,000 that was originally allocated to cover any liability that might arise due to a defined benefit pension crystallisation risk. (See note 17b to the financial statements). Having taken external legal advice and having modelled the possible outcome scenarios from such a debt crystallisation, the Trustees deemed the fund unnecessary.

The Coventry offices of CELC are occupied under a sub-lease with the primary lessee of the property. It came to the attention of the Trustees in the previous year that the primary lessee was uncertain as to whether they would renew the existing lease with the ultimate landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of

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the dilapidations schedule is currently an estimated cost of £163,000. In accordance with recommended practice, an amount of £15,000 has been recognised as an expense in the current year and is recorded as an addition to the provision for liabilities and charges in the balance sheet. With uncertainty as to the final future value of the dilapidations, the Trustees decided to allocate a further £52,000 to a designated fund in 2022 to provide for any increase in the cost. As more information about the premises and possible future liabilities became available, the Trustees decided that the designation over and above that provided in the provision was no longer required. Should the lease be terminated, CELC will need to move to new premises, either leasehold or freehold. The Trustees have allocated £415,000 to the Property Security designated fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs.

The Trustees are aware of the financial difficulties being faced by employees in the current "Economic crisis." A sum was allocated in 2021/22 to a Cost of Living fund to provide for a one-off payment to staff in the year 2022/23, which was duly paid in September 2022.

Fundraising

The charity received £20,944 from unrestricted donations. One significant donation was received from Crispin Passmore Consulting Ltd (£16,126) The charity's main funding sources are grants and contracts. The charity does not employ professional fundraisers and does not seek to fundraise from the general public. No complaints concerning fundraising were received in the year.

Pension fund

The charity is an admitted body member of the West Midlands Pension Fund. This is a multi-employer pension scheme providing benefits based on career averaged re-valued earnings. Details of the pension scheme are included in note 22 of the financial statements and any potential risk attaching is noted in the principal risks and uncertainties below.

Public Benefit

The trustees have considered the Charity Commission's requirement in respect of Public Benefit. In their view the charity meets, in full, the criteria to satisfy the test. The trustees' annual report has described earlier in this report the activities undertaken to further its charitable purposes for the public benefit.

Principal risks and uncertainties

The Board of Trustees routinely reviews the major risks to which the charity is exposed, and a risk register is established. This is reviewed by the Trustees Board at least twice a year along with a review of performance against the business plan. The Risk Register has been developed in line with Charity Commission guidance and the requirements of LEXCEL. It includes an assessment of risk across the areas of Governance, Strategy, Operations, Compliance, Fraud and Dishonesty, Finance, Competence and Conflict, and Confidentiality.

Each risk is assessed by impact and likelihood and given an overall risk rating. The actions that are being taken to mitigate, transfer, reduce or avoid the risk are detailed along with the internal resources to support the actions.

The most significant risks to the charity are reduction or loss of funding from the Legal Aid Agency or the charity's main funder, Coventry City Council. The Legal Aid contract is very closely managed, with significant emphasis on contract compliance and ensuring that income targets are met. These arrangements have been stress tested by all the changes to working arrangements necessitated by the pandemic and they have proven resilient.

Coventry City Council continues to place a high priority on funding for our service, but a future reduction remains a risk given the continuing pressure on local authority finances. This risk is managed by a strategy of maintaining strong relationships and providing regular updates on the impact of the charity's work.

The charity also has a strategy of bidding for funding from other sources. This has been successful, and the charity has seen an increase in the number of its funders, as well as a significant overall increase in its funds. This approach is underpinned over the next five years by work to implement the organisational strategy, providing a framework to allow applications for unrestricted funding. This approach is proving successful, large grants having been awarded from Esmée Fairbairn Foundation and The Legal Education Foundation.

The other key risk to financial stability is the liability currently arising from membership of the West Midlands Pension Fund. Trustees took the decision in May 2007 to close the pension scheme to new members and to manage this risk. Alternative pension provision was established. The trustees have taken account of the guidance issued by the Charity Commission on Charity Reserves and Defined Benefit Pension Schemes. This highlights that, in considering the position in relation to the FRS 102 valuation, trustees should take account that the deficit does not crystallise immediately but must consider the impact on future cash flow due to increased contributions reducing the deficit. In this context, the Trustees have corresponded with the West Midlands Pension Fund and have built the future planned contribution rates into their cash flow projections. The Trustees are satisfied that planned increases can be accommodated and will not therefore impact negatively on future operational plans and budgets. No deficit recovery payments are due to be paid in the period April 2023 – March 2024. In November 2020 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a "Guarantee document" and memorandum of understanding has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council. The guarantee provides protection to the Central England Law Centre in the event of pension debt crystallisation. Although the current pension valuation would indicate that there are an excess of assets over future liabilities at the 31st March 2023, there is no guarantee that this situation will continue. The charity cannot utilise these funds in day to day operations. The Trustees have decided therefore to cap any valuation indicating an excess of assets at zero for the purposes of the accounts.

Reserves policy and going concern

The trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission and have developed a risk-based reserves policy. The policy is reviewed annually or more frequently, there being a change to the perceived associated risk. The objective of the policy is to strengthen CELC's financial resilience whilst avoiding holding funds unnecessarily. Restricted fund balances at the balance sheet date amount to £165K, these are utilised only in accordance with the funders stated objectives and are not available for the charity's general use. The trustees have allocated £621K to designated funds (Outlined above) within the free reserves to provide for future expenditure and liabilities to leave a general fund balance £1,434. There is no pension reserve as of 31st March 2023 following the most recent valuation and the decision to cap any net asset value at a nil balance.

The current general fund reserves target as approved by the Board of Trustees is £1,054K. This is based on an assessment of the risks to CELC and the finances required to ensure the charity can carry on its activities, after allocation to designated funds, in the event of unplanned changes to its financial circumstances. The risk factors that have been taken into account include:

- Reliance on Coventry City Council as a key funder.
- The short-term nature of many current funding agreements.
- CELC's ability to reduce costs without having an impact on income streams; and
- The level of unrestricted reserves held as work-in-progress (representing Legal Aid casework in process) which are funds that are not readily available in liquid form.

The level of free reserves currently exceeds the target set by Trustees. Plans have been put in place to reduce this balance by increasing expenditure on the development and volume of charitable services. In the year to March 2023 free reserves expenditure exceeded income and this has continued in the year to March 2024. In addition, some of the funds held have been received in the current year but are committed against expenditure to be incurred in the following year inflating the value of the fund balances.

The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future (That being 12 months from the date of signing this report) and have therefore, used the going concern basis in preparing these financial statements.

This is based on the following assessment:

- The 2022-23 financial statements show CELC general funds of £1,434K which is in excess of the approved reserves range as outlined above.
- The balance sheet shows net assets of £2,219K, the defined benefit pension scheme liability having been capped a nil balance in the year.
- In February 2023 the trustees approved the budget for 2023-24 showing a surplus of £151K, of which £377K was deferred income that was brought forward from the previous year on the basis that those funds should have been applied in 2022-23. The excess of expenditure over income on restricted funds was predicted to be £7K after bringing forward

£193K unspent in the previous year. The unrestricted funds will show a deficit of £33K but after applying funds brought from the previous year, £192K the excess agreed was £159K.

- The three-year development plan approved by trustees, including risk-based scenario planning such as cuts in grant funding and an increase in pension deficit forecasts a small decrease in the general funds over that time.
- The latest cashflow forecast (November 2023) indicates a balance of £1,054K at the month end November 2024.
- The defined benefit pension scheme liability with The West Midlands Pension Fund and any further debt on crystallisation risk is protected by a guarantee agreed with Coventry City Council subject to the conditions outlined in note 17a to the financial statements.

Investment policy

The trustees are empowered by the Articles of Association to invest the charity's money as they see fit and make their decisions with reference to the Charity Commission's guidance.

Plans for the future

We have identified the following priorities for 2023–24

So more people will know their rights and have access to justice leading to greater prosperity for individuals who are marginalised and disadvantaged we will seek to:

- Provide specialist legal expertise in Housing, Employment, Discrimination, Family, Public Law, Welfare Benefits, Immigration & Asylum and Community Care
- Provide holistic, wrap around intensive support for the most disadvantaged people
- Maintain and apply for Legal Aid contracts to support the delivery of our specialist areas of law and maintain relevant accreditation to continue and expand our work.
- Design and deliver effective and understandable public legal education on key rights
- Develop a workforce plan to invest in current and future generation of social welfare Lawyers.; investing in staff training and development; recruiting and training future lawyers; ensure staff wellbeing.
- Review and strengthen internal processes and policies and ensuring that we have an organisational structure with a skilled management and support systems to provide efficient systems and ways of working that will enable us to meet our aims.
- Expand our offer for the people of Birmingham supported by a new staff member to lead on development and partnerships in Birmingham.

In order that the social action and social justice work of organisations, practitioners and activists becomes more effective in enhancing legal capabilities of local communities and delivery of services we will seek to:

- Providing training, public legal education and support to voluntary and statutory partners and organisations so they better understand how rights and their power relates to their work.

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- Develop and deliver legal education to front line workers in organisations and direct support to identify when the people they support need legal advice and referral pathways.
- Develop and maintain partnerships and funders that recognises the links between legal issues, poverty and health and inequalities including piloting a Health Justice Partnership with Coventry and Warwickshire ICB.
- Be a critical friend with key stakeholders and statutory organisations to help them better understand how system failure impacts on people's health and income.
- Maintain and expand relationships with universities and expand law clinics to deliver advice clinics to reach more marginalised communities.
- Develop and learn from client focus groups who have lived experience.

Through better coordinated, more effective action on shared priorities with our communities, we will work with policy makers to improve policy and systems and their application and effect change to the law where needed by seeking to:

- Develop systems to understand the needs of our community – e.g. data collection systems, research, collaboration with partners, staff and client experiences. We will build on the findings of the local legal needs research project concluding this year.
- Provide staff the opportunities to develop capacity and skills to identify, prioritise and respond to the issues our community is facing including taking strategic legal action.
- Maintain and develop a proactive Public Law Team who work alongside all legal teams within the Law Centre Collect.
- Report and communicate evidence of the difference our work makes to people's lives including commissioning external evaluations.
- Undertake strategic communications work using targeted messages and channels appropriate for all our audience.
- Respond to consultations, calls for evidence, surveys and evaluation initiatives and local and national campaigns. We will contribute the Civil Legal Aid review and push for improvements to the legal aid system and promote access to justice for the most disadvantaged.

Structure, governance and management

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The directors of the company are also known as trustees for the purposes of charity law. All trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Organisational structure

Central England Law Centre Ltd has a Board of up to 10 trustees who meet regularly at monthly board meetings, informal sub-committee meetings and by attendance at trustee away days. The trustee board are responsible for the strategic direction and policies of the charity. Elayne Hill, the Company Secretary and Chief Executive, attends all meetings of the Board but is not a board member.

Responsibility for the provision of services and for the delivery of the business plan is delegated to the Chief Executive. The charity operations are guided by policies which are approved by the trustees, and which provide a framework for the day to day running of all aspects of the organisation.

Responsibility for professional conduct and for meeting Solicitors Regulation Authority requirements is delegated to Lydia Nash, Solicitor and Head of Legal Casework and Compliance.

The charity employs 69 staff (as at 31st March 2023), of whom 48 are engaged in the direct provision of services.

The Law Centre holds the Specialist Quality Mark in each of the areas of law in which it offers advice and representation. This provides a structure for the delivery of advice and representation and sets standards for training of staff and for supervision of these services, which is delegated to each of the team supervisors.

Appointment of trustees

The Articles of Association state that one third of the trustees should retire by rotation. Thomas Bannister, Richard Alomo, and Christopher King will retire and being eligible, will stand for re-election.

The nature of the work of the charity means it is important to maintain a skill mix amongst the trustees which includes knowledge and understanding of legal advice and representation, as well as an understanding of the issues relating to social exclusion and the specific social welfare needs of the population in the area in which the charity operates.

The charity has been successful in attracting several people with experience in legal advice and representation, as well as representatives from the local authority and trustees with experience of equality issues. Business and finance skills are also well represented within the trustee body, with one trustee being qualified accountant and others having experience of running their own businesses.

Potential new trustees are given a 'job description' and person specification for the role and are invited to submit an application and to attend an interview with the Chair, and the Chief Executive.

Trustee induction and training

New trustees attend the Centre for a brief introduction to the work of the charity. They are provided with an information pack which covers:

- Their obligations as trustees;
- Memorandum and Articles of Association;
- Previous year's annual report and accounts; and
- Current year's business plan.

Training sessions continue to focus on the work undertaken by the organisation, allowing trustees to have more contact with staff and to gain an insight into the issues they face. In addition, where necessary, training takes place as part of the monthly meetings to ensure that issues being discussed are fully understood by trustees.

The Board undertakes an annual self-evaluation of its effectiveness. This enables identification of any skill gaps, and of the training needs of the Board. From this, an annual training plan is drawn up. In addition, the effectiveness of working arrangements and information reporting is reviewed, and changes made where necessary.

Related parties and relationships with other organisations

Central England Law Centre is a member of the Law Centres' Network. This is the national body which sets the framework for the operation of Law Centres, and membership is obligatory for any organisation which wants to operate as a Law Centre. The Law Centre's Deputy Chief Executive, Claire Stern served on the Executive of the Law Centres' Network in 2022-23 and Lydia Nash, Director of Legal Casework and Compliance has been elected to represent the Law Centre from April 2023.

The Law Centre works in partnership with other organisations where this assists in achieving our goal of reaching clients who most need our services and who may be hard to reach, and where the partner organisation offers complementary services that improve the overall effectiveness of our specialist legal advice. For example, we are partnering with Foleshill Women's Training, Kairos WWT, CRASAC and Coventry Haven Women's Aid in Coventry Women's Partnership to deliver a holistic programme of support aimed at improving women's financial security. We provide a drop-in service at Hub Hodge Hill in Birmingham which is part of the Open Door Community Foundation. We are also working with KIND Inc., a US based organisation, Islington Law Centre, Just Right Scotland, Coram Children's Legal Centre and Greater Manchester Immigration Aid Unit in a collaboration called Kids in Need of Defense UK. This is a national pro bono initiative to provide immigration advice to children.

We also work with local universities to provide volunteering opportunities for students and to extend our capacity to provide free advice. The Universities involved are Coventry, Warwick and Birmingham City University.

Remuneration policy for key management personnel

The remuneration policy for all personnel with the exception of the Chief Executive is determined by a salary scale which is reviewed for potential cost of living increases annually by trustees. Trustees may review the scale itself from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries individually when they set the budget at the start of the year.

The salary for the Chief Executive was assessed by reference to market rates in comparable organisations when the post holder was appointed. It has been reviewed for inflation in line with other salaries in the organisation.

Funds held as custodian trustee on behalf of others

Central England Law Centre does not perform this function.

Statement of responsibilities of the trustees

The trustees (who are also directors of Central England Law Centre Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' annual report

For the year ended 31 March 2023

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 9 (2022: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 28th November 2023 and signed on their behalf by

Keith Wilding
Chair

Independent auditor's report

To the members of

Central England Law Centre Limited

Opinion

We have audited the financial statements of Central England Law Centre (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Central England Law Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

Central England Law Centre Limited

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine

Independent auditor's report

To the members of

Central England Law Centre Limited

is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

Independent auditor's report

To the members of

Central England Law Centre Limited

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

12 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations	2	20,944	600	21,544	72,568	600	73,168
Charitable activities							
Legal and other advisory services	3	1,109,258	1,574,667	2,683,925	948,112	2,538,768	3,486,880
Investments		19,249	–	19,249	528	–	528
Other		5,576	–	5,576	13,323	–	13,323
Total income		1,155,027	1,575,267	2,730,294	1,034,531	2,539,368	3,573,899
Expenditure on:							
Charitable activities	4						
Legal and other advisory services		1,174,670	1,856,439	3,031,109	888,044	2,580,965	3,469,009
Total expenditure		1,174,670	1,856,439	3,031,109	888,044	2,580,965	3,469,009
Net income for the year	6	(19,643)	(281,172)	(300,815)	146,487	(41,597)	104,890
Transfers between funds		(12,084)	12,084	–	(24,303)	24,303	–
Net income / (expenditure) before other recognised gains		(31,727)	(269,088)	(300,815)	122,184	(17,294)	104,890
Actuarial gains on defined benefit pension schemes	22	512,000	–	512,000	375,000	–	375,000
Net movement in funds		480,273	(269,088)	211,185	497,184	(17,294)	479,890
Reconciliation of funds:							
Total funds brought forward		1,574,487	484,753	2,059,240	1,077,303	502,047	1,579,350
Total funds carried forward		2,054,760	215,665	2,270,425	1,574,487	484,753	2,059,240

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 04149673

As at 31 March 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	11		–		–
Current assets:					
Work in progress	12	999,709		887,300	
Debtors	13	1,023,101		1,316,596	
Cash at bank and in hand		1,053,668		1,167,093	
		3,076,478		3,370,989	
Liabilities:					
Creditors: amounts falling due within one year	14	(806,053)		(823,749)	
Net current assets			2,270,425		2,547,240
Total assets less current liabilities			2,270,425		2,547,240
Defined benefit pension scheme liability	22		–		(488,000)
Total net assets			2,270,425		2,059,240
The funds of the charity:	17a				
Restricted income funds			215,665		484,753
Unrestricted income funds:					
Designated funds		621,232		995,783	
General funds		1,433,528		1,066,704	
Pension reserve		–		(488,000)	
Total unrestricted funds			2,054,760		1,574,487
Total charity funds			2,270,425		2,059,240

Approved by the trustees on 28 November 2023 and signed on their behalf by

Keith Wilding
Chair

Central England Law Centre Limited

Statement of cash flows

For the year ended 31 March 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities	18				
Net cash provided by / (used in) operating activities		(132,674)		(471,977)	
Cash flows from investing activities:					
Interest received		19,249		528	
Purchase of fixed assets		—		—	
Net cash provided by / (used in) investing activities		19,249		528	
Change in cash and cash equivalents in the year		(113,425)		(471,449)	
Cash and cash equivalents at the beginning of the year		1,167,093		1,638,542	
Cash and cash equivalents at the end of the year	19	1,053,668		1,167,093	

1 Accounting policies

a) Statutory information

Central England Law Centre Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Oakwood House, St Patrick's Road Entrance, Coventry, CV1 2HL.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Critical estimates and judgements

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the relevant note to the accounts, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In December 2019 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a guarantee document has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Amounts receivable under contracts for legal services are scheduled on an accruals basis. Income reflects the fair value of services provided on each assignment, including expenses and disbursements.

Income received in excess of time recorded (inter partes costs) is recognised when the amounts have been agreed by third parties.

Unbilled income is shown as work in progress and is valued on an hourly rate as determined by the Legal Aid Agency. Unbilled disbursements expended are shown as debtors.

Other income is included when receivable.

g) 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.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing legal and other advisory services
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| ● Computer equipment | 3 years |
| ● Office equipment | 5 years |
| ● Property improvements | 5 years |

m) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Client accounts

As part of working practices the charity holds third party funds in separate designated bank accounts. These funds are not assets of the charity and are not accounted for in these financial statements.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

q) 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.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

r) Pensions

Retirement benefits to employees of the charity are provided by Scottish Widows (a defined contribution scheme) and the Local Government Pension Scheme (West Midlands Pension Fund). The Local Government Pension Scheme is a funded defined benefit scheme and the assets are held separately from those of the charity. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses. The Trustees note that the calculated notional deficit or surplus calculated under FRS 102 can vary greatly from year to year depending on the assumptions made at the valuation date.

2 Income from donations

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Gowlings Solicitor	–	–	–	50,000	–	50,000
Crispin Passmore Consulting Ltd	16,910	–	16,910	20,105	–	20,105
Small Donations	4,034	600	4,634	2,463	600	3,063
	<u>20,944</u>	<u>600</u>	<u>21,544</u>	<u>72,568</u>	<u>600</u>	<u>73,168</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the financial statements

For the year ended 31 March 2023

3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Coventry City Council – grant	–	439,726	439,726	–	439,726	439,726
The Oak Foundation	–	96,000	96,000	–	96,000	96,000
Therium	–	–	–	–	25,000	25,000
The Legal Education Foundation	112,000	–	112,000	–	–	–
Esmee Fairbairn	150,000	–	150,000	–	–	–
Paul Hamlyn Foundation	22,500	–	22,500	–	–	–
Unbound Philanthropy	–	–	–	100,000	–	100,000
Legal Aid Agency	450,382	–	450,382	473,870	–	473,870
Other profit costs	91,724	–	91,724	104,709	–	104,709
Coventry University	85,016	–	85,016	90,934	–	90,934
University of Warwick	76,292	–	76,292	65,132	–	65,132
Birmingham City University	121,344	–	121,344	113,467	–	113,467
Coventry Building Society – Homelessness Pr	–	15,000	15,000	–	15,000	15,000
Coventry Building Society – Mental Health	–	30,000	30,000	–	30,000	30,000
Coventry Building Society – Intensive Support	–	40,000	40,000	–	30,000	30,000
Coventry Building Society – Ukraine Support	–	10,000	10,000	–	–	–
Coventry Building Society – Cost of Living Fu	–	5,000	5,000	–	–	–
Voluntary Action Coventry – Independent He	–	60,000	60,000	–	60,093	60,093
Anchor Centre	–	9,016	9,016	–	9,016	9,016
Comic Relief – Ignite Project	–	40,767	40,767	–	68,000	68,000
Kids in Need of Defense	–	442,443	442,443	–	574,490	574,490
Allen & Overy – Volunteers	–	10,000	10,000	–	10,000	10,000
Smallwood Trust – Improving Financial Secur	–	53,082	53,082	–	52,041	52,041
Smallwood Trust – DV Immigration NRPF	–	24,560	24,560	–	–	–
Coventry City Council – EUSS Complex Cases	–	46,093	46,093	–	63,826	63,826
Coventry City Council – Migrant Rights in the	–	28,641	28,641	–	–	–
Coventry City Council – MiFriendly Cities	–	–	–	–	9,017	9,017
Access Your Right To Care	–	21,624	21,624	–	455,684	455,684
Access to Justice Foundation – Support for Li	–	54,084	54,084	–	114,663	114,663
The Baring Foundation – Community Justice	–	13,333	13,333	–	26,667	26,667
The Baring Foundation – Help & Information	–	–	–	–	30,000	30,000
The Legal Education Foundation – Justice Fir	–	31,815	31,815	–	42,242	42,242
The Legal Education Foundation – the RIPPLE	–	–	–	–	22,923	22,923
Nuffield Foundation – Legal Needs Research	–	9,578	9,578	–	–	–
NHS Innovation Fund – Enhanced Legal Supp	–	7,201	7,201	–	–	–
Coventry & Warwickshire ICB – Health Justice	–	–	–	–	–	–
Birmingham City Council – Asylum, Migratio	–	78,704	78,704	–	206,391	206,391
Birmingham City Council – EUSS Project	–	–	–	–	52,739	52,739
Outreach sessions	–	8,000	8,000	–	–	–
Red Cross – Families Together	–	–	–	–	16,250	16,250
Law Centres Network – PLP Crisis Hubs	–	–	–	–	15,000	15,000
Ministry of Housing, Communities and Local	–	–	–	–	14,000	14,000
Community Justice Fund	–	–	–	–	60,000	60,000
Total income from charitable activities	1,109,258	1,574,667	2,683,925	948,112	2,538,768	3,486,880

Notes to the financial statements

For the year ended 31 March 2023

4a Analysis of expenditure (current year)

	Charitable activities £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	1,510,355	–	663,709	2,174,064	2,047,669
Insurance	18,611	375	–	18,986	19,623
Publications	2,644	–	–	2,644	558
Subscriptions	18,188	–	–	18,188	19,214
Courses	18,795	–	–	18,795	22,011
Disbursements	2,927	–	–	2,927	3,769
Communications	16,989	–	–	16,989	20,084
Premises costs	–	–	125,944	125,944	246,680
Other costs	–	–	153,916	153,916	173,900
Depreciation and sundry equipment	–	–	13,629	13,629	8,112
Printing, postage and stationery	–	–	13,550	13,550	12,241
Travel	–	–	3,030	3,030	1,422
Bank charges	–	–	285	285	406
Grant funded activities	454,060	–	–	454,060	863,820
Client payments	(461)	–	–	(461)	17,500
Audit	–	14,563	–	14,563	12,000
	<u>2,042,108</u>	<u>14,938</u>	<u>974,063</u>	<u>3,031,109</u>	<u>3,469,009</u>
Support costs	974,063	–	(974,063)	–	–
Governance costs	14,938	(14,938)	–	–	–
Total expenditure 2023	<u>3,031,109</u>	<u>–</u>	<u>–</u>	<u>3,031,109</u>	
Total expenditure 2022	<u>3,469,009</u>	<u>–</u>	<u>–</u>		<u>3,469,009</u>

Grant funded activities is expenditure specific to projects. This includes £346,413 (2022: £833,218) we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2023

4b Analysis of expenditure (prior year)

	Charitable activities £	Governance costs £	Support costs £	2022 Total £
Staff costs (Note 7)	1,369,358	–	678,311	2,047,669
Insurance	19,342	281	–	19,623
Publications	558	–	–	558
Subscriptions	19,214	–	–	19,214
Courses	22,011	–	–	22,011
Disbursements	3,769	–	–	3,769
Communications	20,084	–	–	20,084
Premises costs	–	–	246,680	246,680
Other costs	–	131	173,769	173,900
Depreciation and sundry equipment	–	–	8,112	8,112
Printing, postage and stationery	–	–	12,241	12,241
Travel	–	–	1,422	1,422
Bank charges	–	–	406	406
Grant funded activities	863,820	–	–	863,820
Client payments	17,500	–	–	17,500
Audit	–	12,000	–	12,000
	<u>2,335,656</u>	<u>12,412</u>	<u>1,120,941</u>	<u>3,469,009</u>
Support costs	1,120,941	–	(1,120,941)	–
Governance costs	12,412	(12,412)	–	–
Total expenditure 2022	<u>3,469,009</u>	<u>–</u>	<u>–</u>	<u>3,469,009</u>

Grant funded activities is expenditure specific to projects. This includes £833,218 we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2023

5a Grant making (current year)

	Grants £	2023 £
Project		
Ignite Project	3,054	3,054
Kids In Need of Defense	316,690	316,690
Support for Litigants in Person	26,669	26,669
At the end of the year	346,413	346,413

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2023 £
Payments were made to organisations for activities as below:	
Grapevine Coventry & Warwickshire Ltd	3,054
Islington Law Centre	158,936
Coram Children's Legal Centre	102,370
JustRight Scotland	22,653
Greater Manchester Immigration Aid Unit	32,731
Derbyshire Law Centre	26,669
At the end of the year	346,413

5b Grant making (prior year)

	Grants £	2022 £
Project		
Ignite Project	7,298	7,298
Kids In Need of Defense	331,458	331,458
Access Your Right to Care	436,305	436,305
Support for Litigants in Person	48,903	48,903
Families Together	9,254	9,254
At the end of the year	833,218	833,218

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2022 £
Payments were made to organisations for activities as below:	
Grapevine Coventry & Warwickshire Ltd	7,298
Islington Law Centre	150,339
Coram Children's Legal Centre	98,804
JustRight Scotland	23,297
Greater Manchester Immigration Aid Unit	59,018
Access Your Right to Care	436,305
Derbyshire Law Centre	48,903
Red Cross	9,254
At the end of the year	833,218

6 Net income for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	-	907
Professional Indemnity Insurance	6,496	7,370
Operating lease rentals:		
Property	61,187	59,747
Other	4,556	4,735
Auditor's remuneration (excluding VAT):		
Audit	14,550	12,000

Notes to the financial statements

For the year ended 31 March 2023

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	1,893,302	1,775,677
Redundancy and termination costs	2,004	-
Social security costs	185,247	162,208
Employer's contribution to defined contribution pension schemes	56,175	47,187
Operating costs of defined benefit pension schemes	28,996	58,725
Recruitment costs	8,340	3,872
	2,174,064	2,047,669

The redundancy and termination costs were settled and £2,004 was paid in May 2022.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £69,999	1	1

Key management personnel include the Trustees, the Chief Executive Officer, the Deputy Chief Executive Officer, the Director of Finance & IT and the Director of Legal Casework & Compliance. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £193,221 (2022: £195,380).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

No trustee received any remuneration in either year. No trustee expenses were paid for by the charity in the year (2022: £Nil for 0 trustee).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 69 (2022: 68).

Staff are split across the activities of the charitable company as follows :

	2023 No.	2022 No.
Support staff	21	24
Legal and advisory staff	48	44
	69	68

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Aggregate donations from related parties were £nil (2022: £nil).

Councillor Anthony Tucker and Councillor Abdul Jobbar are members of Coventry City Council.

As neither Cllr Tucker or Cllr Jobbar have significant control over decisions regarding funding for the Law Centre made by Coventry City Council, the Trustees have not included any details of funding under related parties.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At the start of the year	66,902	69,568	23,724	160,194
At the end of the year	66,902	69,568	23,724	160,194
Depreciation				
At the start of the year	66,902	69,568	23,724	160,194
Charge for the year	-	-	-	-
At the end of the year	66,902	69,568	23,724	160,194
Net book value				
At the end of the year	-	-	-	-
At the start of the year	-	-	-	-

All of the above assets are used for charitable purposes.

12 Work in progress

	2023 £	2022 £
Legal work performed but unbilled at year end	999,709	887,300
	999,709	887,300

13 Debtors

	2023 £	2022 £
Other debtors including disbursements	739,876	800,019
VAT	5,497	-
Prepayments and accrued income	277,728	516,577
	1,023,101	1,316,596

Notes to the financial statements

For the year ended 31 March 2023

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	356,604	404,887
Taxation and social security	39,454	41,216
VAT	-	201
Other creditors	88,825	15,000
Pension creditor	12,624	11,712
Accruals	51,610	91,325
Provision for liabilities and charges	163,000	148,000
Deferred income	93,936	111,408
	806,053	823,749

15 Deferred income

Deferred income represents grants received relating to future periods or where the performance related conditions have not yet been met by the charity.

	2023 £	2022 £
Balance at the beginning of the year	111,408	729,909
Receipts in advance	1,557,795	1,989,325
Released to income in the year	(1,575,267)	(2,607,826)
Balance at the end of the year	93,936	111,408

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Current assets	2,145,645	621,232	309,601	3,076,478
Current liabilities	(712,117)	-	(93,936)	(806,053)
Defined benefit pension liability	-	-	-	-
Net assets at 31 March 2023	1,433,528	621,232	215,665	2,270,425

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Current assets	1,779,045	995,783	596,161	3,370,989
Current liabilities	(712,341)	-	(111,408)	(823,749)
Defined benefit pension liability	(488,000)	-	-	(488,000)
Net assets at 31 March 2022	578,704	995,783	484,753	2,059,240

17a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
The Oak Foundation	–	96,000	(96,000)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry Building Society – Mental Health	–	30,000	(30,000)	–	–
Coventry Building Society – Intensive Support	–	40,000	(40,000)	–	–
Coventry Building Society – Ukraine Support	–	10,000	(10,000)	–	–
Coventry Building Society – Cost of Living Fund	–	5,000	(6,009)	1,009	–
Voluntary Action Coventry – Independent Health Complaints Advocacy	5,009	60,000	(56,350)	–	8,659
Anchor Centre	–	9,016	(9,016)	–	–
Comic Relief – Ignite Project	–	40,767	(40,767)	–	–
Kids in Need of Defense	479,744	442,443	(714,203)	–	207,984
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	53,082	(53,082)	–	–
Smallwood Trust – DV Immigration NRPF	–	24,560	(24,560)	–	–
Coventry City Council – EUSS Complex Cases Project	–	46,093	(46,093)	–	–
Coventry City Council – Migrant Rights in the Community	–	28,641	(28,641)	–	–
Access Your Right To Care	–	21,624	(21,624)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	54,084	(54,084)	–	–
The Baring Foundation – Community Justice	–	13,333	(13,333)	–	–
The Legal Education Foundation – Justice First Fellowships	–	31,815	(31,815)	–	–
Nuffield Foundation – Legal Needs Research	–	9,578	(9,578)	–	–
NHS Innovation Fund – Enhanced Legal Support Project	–	7,201	(7,201)	–	–
Coventry & Warwickshire ICB – Health Justice Partnership	–	–	(978)	–	(978)
Birmingham City Council – Asylum, Migration & Integration Fund	–	78,704	(89,779)	11,075	–
Outreach sessions	–	8,000	(8,000)	–	–
Total restricted funds	484,753	1,575,267	(1,856,439)	12,084	215,665
Designated funds:					
Transformation fund	159,607	–	(82,155)	–	77,452
Legal Support fund	169,176	–	(157,464)	(11,712)	–
Kind Unbound Philanthropy Fund	100,000	–	–	–	100,000
Crispin Passmore donation	–	16,910	(4,256)	16,126	28,780
Dilapidations fund	52,000	–	–	(52,000)	–
Property Security Fund	415,000	–	–	–	415,000
Cost of Living fund	100,000	–	(99,174)	(826)	–
Total designated funds	995,783	16,910	(343,049)	(48,412)	621,232
General funds	1,066,704	855,465	(524,969)	36,328	1,433,528
Coventry University	–	85,016	(85,016)	–	–
University of Warwick	–	76,292	(76,292)	–	–
Birmingham City University	–	121,344	(121,344)	–	–
Total unrestricted funds	1,066,704	1,138,117	(807,621)	36,328	1,433,528
Pension reserve	(488,000)	488,000	–	–	–
Total funds including pension fund	2,059,240	3,218,294	(3,007,109)	–	2,270,425

17a Movements in funds (continued)

The narrative to explain the purpose of each fund is given at the foot of the note below.

The grant received from Coventry City Council for the Mifriedly Cities project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £nil for the year (2022: £901).

The grant received from Birmingham City Council for the Asylum, migration and integration fund project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £11,075 for the year (2022: £22,932).

In 2019/20 £220,000 was allocated to a designated reserve for a transformation programme as agreed by the Trustees. In 2021/22 the Trustees agreed to allocate a further £50,000 to increase capacity. The funds are expected to be spent over the period April 2020 – March 2024. The purpose of the expenditure is to strengthen the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy. The costs include a Process and Change Manager, an interim management promotion and assistant support to the management team.

In 2020/21 £100,000 has been designated by the Trustees to the Kind Unbound Philanthropy Fund. Previous grants from this funder have been restricted to the furtherance of the objectives of the KIND project. Although this grant is unrestricted, the Trustees have determined that it will be solely applied to KIND. The designated funds were applied to KIND in the year to March 2023.

In 2020/21 £150,000 was designated by the Trustees to continue our work on ensuring Rights in the Community. The purpose of the fund was largely to support the salary costs of the delivery team. In 2021/22 the Trustees agreed to increase capacity by designating a further £50,000 and extending the longevity of the project. In 2022/23 the Trustees determined that such work should fall within the scope of the main objectives of the charity and therefore the designation was removed.

In 2020/21 the trustees designated £600,000 against a possible pension liability crystallisation risk. Historically CELC employees had access to the Local Government Pension Scheme via the West Midlands Pension Fund. Scheme entry was closed to new members in 2007 and consequently, there is now only one active member of the scheme. In the event that the last CELC active member leaves CELC employment, a pension fund crystallisation event would occur, whereby actuaries would value scheme assets in relation to future predicted liabilities and a scheme deficit might arise. Such a deficit would be the responsibility of the employer. A guarantee document has been agreed between Coventry City Council (CCC), West Midlands Pension Fund and CELC providing protection in the event of a crystallisation event. An accompanying agreement between CCC and CELC states that in the event of crystallisation, the order of preference is for CELC to a) settle the amount in full b) in part or c) CCC will settle the amount in full if CELC is unable. The Trustees therefore agreed to designate an amount in recognition of this agreement. After a further detailed review and after taking external legal advice, the Trustees were of the opinion that the likelihood of an immediately payable sum crystallising were remote and therefore reversed the previous designation in 2021/22.

The Coventry premises are occupied under a sub lease with the primary lessee of the property. It came to the attention of the Trustees in the year to March 2022 that the primary lessee was uncertain as to whether they would renew the existing lease with the landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of the dilapidations schedule was an estimated cost of £200,000 (May 2021). Therefore the Trustees decided to allocate an equivalent sum to a designated fund to provide for such an eventuality over and above any amount already written off through the SOFA as a recognised provision against such costs. A further review of dilapidation costs in view of new developments with the lease arrangements led to the de designation of the dilapidations fund in the current year. Should the lease be terminated, CELC will need to move to new premises, either leasehold or freehold. The Trustees have allocated £415,000 to the Property Security Fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs.

Crispin Passmore a former CEO of CELC makes an annual donation to support the work of CELC. The Trustees have determined that these funds should be set aside for the development of trainee legal staff within CELC and as such a designated fund has been created.

The Trustees are aware of the difficulties being faced by employees in the current "Economic crisis." A sum was allocated to a Cost Of Living fund to provide for a one-off payment to staff in the year 2022/23.

17b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
The Oak Foundation	–	96,000	(96,000)	–	–
Therium	–	25,000	(25,000)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry Building Society – Mental Health	–	30,000	(30,000)	–	–
Coventry Building Society – Intensive Support	–	30,000	(30,000)	–	–
Voluntary Action Coventry – Independent Health Complaints Advocacy	1,666	60,093	(56,750)	–	5,009
Anchor Centre	–	9,016	(9,016)	–	–
Comic Relief – Ignite Project	–	68,000	(68,000)	–	–
Kids in Need of Defense	500,606	574,490	(595,352)	–	479,744
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	52,041	(52,041)	–	–
Coventry City Council – EUSS Compex Cases Project	–	63,826	(63,826)	–	–
Coventry City Council – MiFriendly Cities	–	9,017	(9,918)	901	–
The Oak Foundation – Access Your Right to Care	–	455,684	(455,684)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	114,663	(114,663)	–	–
The Baring Foundation – Community Justice	(225)	26,667	(26,442)	–	–
The Baring Foundation – Help & Information Pack	–	30,000	(30,470)	470	–
The Legal Education Foundation – Justice First Fellowships	–	42,242	(42,242)	–	–
The Legal Education Foundation – the RIPPLE Project	–	22,923	(22,923)	–	–
Birmingham City Council – Asylum, Migration & Integration Fund	–	206,391	(229,323)	22,932	–
Birmingham City Council – EUSS Project	–	52,739	(52,739)	–	–
Red Cross – Families Together	–	16,250	(16,250)	–	–
Law Centres Network – PLP Crisis Hubs	–	15,000	(15,000)	–	–
Ministry of Housing, Communities and Local Government RJHNC and Revenue	–	14,000	(14,000)	–	–
Community Justice Fund	–	60,000	(60,000)	–	–
Total restricted funds	502,047	2,539,368	(2,580,965)	24,303	484,753
Designated funds:					
Transformation fund	197,978	–	(88,371)	50,000	159,607
Legal Support fund	150,000	–	(30,824)	50,000	169,176
Pension fund	600,000	–	–	(600,000)	–
Kind Unbound Philanthropy Fund	–	–	–	100,000	100,000
Dilapidations fund	–	–	–	52,000	52,000
Property Security Fund	–	–	–	415,000	415,000
Cost of Living fund	–	–	–	100,000	100,000
Total designated funds	947,978	–	(119,195)	167,000	995,783
General funds	946,325	764,998	(453,316)	(191,303)	1,066,704
Coventry University	–	90,934	(90,934)	–	–
University of Warwick	–	65,132	(65,132)	–	–
Birmingham City University	–	113,467	(113,467)	–	–
Total unrestricted funds	946,325	1,034,531	(722,849)	(191,303)	1,066,704
Pension reserve	(817,000)	329,000	–	–	(488,000)
Total funds including pension fund	1,579,350	3,902,899	(3,423,009)	–	2,059,240

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (continued)

Purposes of restricted funds

Coventry City Council – grant
The Oak Foundation

Therium

Subscription fund

Coventry Building Society – Homelessness Prevention Project

Coventry Building Society – Mental Health

Coventry Building Society – Intensive Support

Coventry Building Society – Ukraine Support

Coventry Building Society – Cost of Living Fund

Voluntary Action Coventry – Independent Health Complaints Advocacy

Anchor Centre

Comic Relief – Ignite Project

Kids in Need of Defense

Allen & Overy – Volunteers

Smallwood Trust – Improving Financial Security of Women

Smallwood Trust – DV Immigration NRPF

Coventry City Council – EUSS Complex Cases Project

Coventry City Council – Migrant Rights in the Community

Coventry City Council – MiFriendly Cities

Access Your Right To Care

Access to Justice Foundation – Support for Litigants in Person

The Baring Foundation – Community Justice

The Baring Foundation – Help & Information Pack

The Legal Education Foundation – Justice First Fellowships

The Legal Education Foundation – the RIPPLE Project

Nuffield Foundation – Legal Needs Research

NHS Innovation Fund – Enhanced Legal Support Project

Coventry & Warwickshire ICB – Health Justice Partnership

Birmingham City Council – Asylum, Migration & Integration Fund

Birmingham City Council – EUSS Project

To support legal casework for people in Coventry.

Support for core costs of Birmingham service with a focus on expanding law centre capacity to reduce the number of people who are homeless/at risk of homelessness by providing expert legal advice/representation in welfare benefits, debt, housing, community care, immigration and public law.

Support for core costs including hiring a part-time administrator, enabling the Law Centre to pursue overall strategic objectives.

A regular donation to pay for a subscription is made by an ex-employee.

Funding for housing advice to prevent Homelessness.

Providing intensive support to people facing housing issues and disclosing a mental health condition.

Providing intensive support to people facing housing issues.

Providing support to refugees fleeing the war in Ukraine.

Support to help those impacted by the Cost of Living crisis.

To provide independent advocacy to people with health complaints throughout Coventry.

Advice and casework for people that are homeless or insecurely housed.

A change programme in partnership with Grapevine to promote early action in two public services in Coventry.

Working with a consortium to establish a pro bono service for children to receive immigration advice.

A contribution to supporting student pro bono clinics.

A partnership with Women's Organisations in Coventry to provide more co-ordinated services for vulnerable women.

To improve the outcomes for migrants who are in abusive relationships where their Immigration status is reliant upon their partner:

Direct provision of legal advice, indirect support by improving the understanding of other community organisations working with this client group.

Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.

To provide outreach services and advice to community organisations and immigrants to raise awareness legal rights and access to related services.

To provide legal healthchecks to migrant communities with a focus on undocumented minors.

To transform access to justice for people with a learning difficulty.

Delivery of advice and support to Litigants in Person with employment rights issues, and research seeking to understand the role of early advice in reducing the number of cases being heard in Tribunals.

Rights in Peril Project – research project focused on removal of legal rights by introduction of easements in the Coronavirus Act 2020.

Funding staff costs associated with running a helpline and issuing a rights information pack and other materials for partner organisations.

Funding to support training contracts for social welfare lawyers.

A Public Legal Education Programme in the field of community care by working with groups of clients who have similar issues/needs.

Research into the impact of the pandemic on the rights of those with longstanding legal needs and disabilities.

Specialist legal advice and representation extending to issues beyond the legal matter. Mental health issues often require further support to improve health, finances and living conditions. These are interconnected and impact upon each other. Advisors with specialist skills in mental health support deliver effective advice on housing, financial and health issues.

Provision of proactive and early social welfare advice to NHS primary care patients in the Coventry and Warwickshire Area in collaboration with Coventry Citizens Advice Bureau and Coventry Information Advice Service.

Foundations of Integration project. To improve provisions to support Third Country Nationals (TCNs) in accessing information, advice and guidance to further their integration and contributing to the development of an online portal.

Deliver practical support to vulnerable or at-risk EU, EEA and Swiss citizens and their family members to help them make their EU Settlement Scheme application.

Notes to the financial statements

For the year ended 31 March 2023

17b Movements in funds (continued)

Outreach sessions
Red Cross – Families Together
Law Centres Network – PLP Crisis Hubs

To support refugees (and their families) applying for family reunion.
Establishing a partnership between LCN and CELC to increase the availability and accessibility of legal information, specialist social welfare, immigration and public law advice to Birmingham Crisis Skylight centres frontline workers.

Ministry of Housing, Communities and Local Government RJHNC and Revenue Project

To provide support to clients who are not Third Country Nationals and have no recourse to public funds with complex immigration cases and other services.

Community Justice Fund

Flexible grant provided through the National Lottery to help the Law Centre adjust to providing a post-pandemic service. To support service provision after a loss of legal aid income, adapt premises so suitable for post pandemic work, develop remote working and to adapt to post pandemic changes in demand for work.

Purposes of contracts

Coventry University
University of Warwick
Birmingham City University

For supervision of students to run advice clinics alongside staff
For supervision of students to run advice clinics alongside staff
For supervision of students to run advice clinics alongside staff

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	211,185	479,890
Depreciation charges	–	907
Interest receivable	(19,249)	(528)
Increase in work in progress	(112,409)	96
Decrease/(increase) in debtors	293,495	(63,582)
(Decrease)/increase in creditors	(17,696)	(559,760)
Increase/(Decrease) in pension scheme liability	(488,000)	(329,000)
Net cash provided by / (used in) operating activities	(132,674)	(471,977)

19 Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,167,093	(113,425)	1,053,668
Total cash and cash equivalents	1,167,093	(113,425)	1,053,668

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023 £	2022 £	Equipment 2023 £	2022 £
Less than one year	–	–	3,956	4,588
One to five years	–	–	14,689	9,361
Over five years	–	–	789	294
	–	–	19,434	14,243

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Pension commitments

Historically employees had access to the Local Government Pension Scheme (LGPS) via the West Midlands Pension Fund. Scheme entry was closed in 2007 for new members and there is now only one active member of the scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the period ended 31 March 2023.

Contributions amounting to £497 (2022: £1,662) were payable to the scheme at 31 March 2023 and are included within creditors.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2023 was £6,240, of which employer's contributions totalled £4,346 and employees' contributions totalled £1,894. The agreed contribution rates for future years are 15% for employers and depending on salary 6.5%–8.5% for employees.

The value of the scheme is currently capped at £Nil in the financial statements. Whilst there is an excess in value of assets over liabilities attaching to the fund, this balance was not accessible to the Law Centre at the year-end.

Principal Actuarial Assumptions	2023	2022
Discount rate for scheme liabilities	4.75%	2.70%
Rate of increase in salaries	4.00%	4.20%
Rate of increase of pensions	3.00%	3.20%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

<i>Retiring today</i>		
Males	20.9	21.2
Females	24.7	23.6
<i>Retiring in 20 years</i>	–	
Males	22.1	22.9
Females	25.7	25.4

The charitable company's share of the assets and liabilities in the scheme and the expected rates of return were:

	2023 Expected rate of return	Value 2023 £'000	2022 Expected rate of return	Value 2022 £'000
Equities		1,994		1,981
Government Bonds		645		650
Other Bonds		–		–
Property		205		207
Cash/liquidity		88		118
Other		–		–
Total market value of assets	1.35%	2,932	8.20%	2,956
Present value of scheme liabilities – Funded		(2,543)		(3,444)
Surplus/(Deficit) in the scheme		389		(488)

To develop the expected long-term rate of return on assets assumption, the employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio. This resulted in the selection of the above assumptions.

The total return on the fund assets for the year to 31 March 2023 is £40,000 [2022: £228,000].

Notes to the financial statements

For the year ended 31 March 2023

22 Pension commitments (continued)

	2023 £'000	2022 £'000
Amounts recognised in the statement of financial activities:		
Service cost	16	42
Net interest on the defined liability (asset)	13	17
Administration expenses	–	–
Total operating charge	29	59

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

	2023 £'000	2022 £'000
Change in benefit obligations		
Benefit obligation brought forward	3,444	3,600
Service cost	16	42
Interest cost	92	72
Change in financial assumptions	(1,136)	(192)
Change in demographic assumptions	50	(19)
Experience (gain) on defined benefit obligations	146	8
Contributions by scheme participants	2	7
Past service costs, including curtailments	–	–
Estimated benefits paid net of transfers in	(71)	(74)
Benefit obligation carried forward	2,543	3,444

	2023 £'000	2022 £'000
Change in plan assets		
Fair value of plan assets brought forward	2,956	2,783
Interest on assets	79	55
Return on assets less interest	(95)	172
Other actuarial gain	56	–
Administration expenses	–	–
Contributions by employer including unfunded	5	13
Contributions by Fund participants	2	7
Estimated benefits paid net of transfers in	(71)	(74)
Fair value of plan assets carried forward	2,932	2,956

The employer expects to contribute £4,500 in the year to 31 March 2024.

Five year history of experience adjustments

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Benefit obligation at year end	2,543	3,444	3,600	2,842	2,878
Fair value of plan assets at end of year	2,932	2,956	2,783	2,346	2,369
Deficit	389	(488)	(817)	(496)	(509)

23 Post Balance Sheet Event

Following the accounting valuation (FRS102 basis) received for the Local Government Pension Scheme (LGPS) via the West Midlands Pension Fund, the Trustees, having taken appropriate professional advice, committed to exit the scheme. The sole remaining active employee has also agreed to leave. The cessation valuation will be made on a different basis to the FRS 102 valuation, and given the volatility involved, the Trustees cannot make a reliable estimate of the valuation on cessation but expect it to be in surplus.

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales - Charity number 1087312

Accounts

Company number: 4149673

Charity number: 1087312

Central England Law Centre Limited

Report and financial statements
For the year ended 31 March 2022

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For the year ended 31 March 2022

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Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2022

Company number 4149673
Country of incorporation United Kingdom

Charity number 1087312
Country of registration England & Wales

Registered office and operational address Oakwood House
St Patrick's Road Entrance
Coventry
CV1 2HL

Trustees The trustees (also directors under company law) who served during the year and up to the date of this report were as follows:

Professor H Bahra	(Chair) (Resigned 26 October 2021)
J Jeffrey	(Resigned 22 February 2022)
K Wilding	(Chair from 30 November 2021)
G Moffatt	
Councillor D Welsh	(Resigned 25 May 2021)
Professor J McHale	
C King	
R Kodakandala	(Resigned 21 July 2022)
R Alomo	
T Bannister	(Appointed 25 January 2022)
Councillor J Tucker	(Appointed 25 January 2022)

Key management Personnel

S Bent	(Chief Executive) (Retired 31 March 2022)
E Hill	(Head of Operations and Legal Practice to 31 March 2022, Chief Executive thereafter)
L Hart	(Director of Finance and IT) (Resigned 19 October 2021)
P.O'Donnell	(Director of Finance and IT) (Appointed 19 October 2021)
C Stern	(Head of Impact and Service Development)
L Nash	(Head of Operations and Legal Practice, appointed (1 April 2022)

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill,
West Malling
ME19 4JQ

Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2022

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON,
EC1Y 0TL

The trustees (also known as directors) present their report and the audited financial statements for the year ended 31 March 2022.

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976. Central England Law Centre continues the work of Coventry Law Centre in line with its own objects, maintaining its operations from the city centre of Coventry, and expanding to provide services in Birmingham.

Directors and trustees

The directors of the Central England Law Centre Ltd are its trustees for the purpose of charity law.

Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's purposes as set out in the objects contained in the company's Memorandum of Association are:

- i) The relief of financial hardship and other forms of distress among the people of Central England and others through the provision of legal and other advisory, representation and information services which they could not otherwise obtain through lack of means;
- ii) The advancement of education of the public by the improvement and diffusion of knowledge of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty;

- iii) To promote such other charitable purposes as are for the benefit of the people of Central England.

These are summarised in our statement of purpose:

To fight social exclusion in communities and to effect change in society by increasing rights awareness and using legal processes to fight poverty, inequality and discrimination.

Trustees paid due regard to the guidance issued by the Charities Commission in relation to public benefit in deciding that all activity undertaken by the charity must be in support of strengthening and expanding its capacity to make people aware of their rights, to provide legal advice and representation and to improve its ability to reach the most vulnerable individuals and communities.

The key issues underpinning the strategic aims for 2021–24:

Covid-19 has had a disproportionate effect on people who were already disadvantaged in Coventry, Birmingham and across the West Midlands but the effect of the pandemic has also been to force even more people into hardship, resulting in an increase in demand for the services Central England Law Centre provides to the community. Nationally there has been a rise in domestic violence and abuse and we are already experiencing large levels of demand beyond our capacity for immigration, employment and family law advice. As the country emerges from the constraints of the global pandemic and the cost-of-living emergency continues, it is anticipated that more people will build up debt, there will be growth in unemployment and, in turn further and continuing pressure on public services, housing, health and care services. It is against this backdrop and the following key issues that we have set our strategic aims for 2021–24:

- A growth in structural poverty due to the cost-of-living crisis– for both those in work and those out of work – that is putting more pressure on those we seek to help.
- An increasingly harsh climate for migrants is seeing a tightening of immigration rules, making things very difficult for some of our clients. A growth in the numbers of people with no recourse to public funds.
- More people working in insecure employment and on zero-hours contracts being open to exploitation and unfair treatment.
- Recognition that reduced legal aid and public sector funding for some of our work is unlikely to be reversed and so we must continue to find new ways to fund what we do. Stability for our existing services as well as the opportunity to develop and evolve our work to meet identified needs depends on our success in securing funding. Potential reductions in core funding mean we need to continue to seek savings in overheads by sharing services where appropriate, and by extending our use of IT to ensure that we maximise efficiency and improve data analysis to inform our performance management.

Strategic aims for 2021–24:

- Providing legal expertise across eight different areas of social welfare law – offering services that can address all the interconnected problems people face in their everyday lives.
- Working to build knowledge of legal rights and the ability to manage day-to-day issues that have a legal solution within the most vulnerable communities where we work.
- Making our advice and representation services easily accessible to those who are socially excluded and need them most.
- Using our knowledge of the communities we work in to influence local and national policy makers and sometimes being a voice for those who are seldom heard.
- Using our legal practice to change the law by seeking and pursuing public interest cases.

The main activities that we have undertaken in pursuit of these aims during 2021/22 are described below.

Achievements and performance

All our charitable activities focus on strengthening and expanding our capacity to raise rights awareness, to provide legal advice and representation, to influence policy makers, and to improve our ability to reach the most vulnerable individuals and communities. They are undertaken to further our charitable purposes for the public benefit and to fulfil our vision of a fairer, more just society in which an understanding of rights and their power is embedded within communities.

Service delivery

We provide a comprehensive service: encompassing casework, representation, legal education and rights-awareness raising, as well as working with partners to influence service delivery and knowledge of people's rights.

Coventry

In Coventry, we offer free advice and representation in the following areas of law:

- | | | |
|---------------------------------|--------------------------|--------------------------|
| • Employment and Discrimination | • Family | • Immigration and Asylum |
| • Housing | • Health and Social Care | • Public Law |
| | • Welfare Benefits | |

We primarily advise residents of Coventry and those who work in the city with some reach into Warwickshire. The areas of law covered under legal aid contracts are housing, community care, family, asylum, discrimination and public law.

We benefit hugely from funding from Coventry City Council and an expanding range of other forms of funding to provide services.

Trustees' annual report

For the year ended 31 March 2022

Other funding we have received has supported a programme of work that focuses on particularly vulnerable groups of people.

- We received increased funding from Coventry Building Society to support our housing team in its homelessness prevention work, including intensive support to people facing homelessness, and enables us to provide intensive support to people with mental health challenges.
- Virgin Health provide funding for us to advise people at The Anchor Centre, a medical centre for those who are homeless or insecurely housed.
- The Legal Education Foundation continued to support us with funding to extend our work on a project called RIPPLE, pioneering an approach to improving knowledge of the rights of individuals by working with them in groups. This funding ended in March 2022.
- The Smallwood Trust funded us to work in partnership with four women's organisations, as part of the Coventry Women's Partnership, to improve economic outcomes for women by providing joined up front line support. We employ an immigration adviser to focus on the legal needs of victims of domestic violence and a generalist caseworker to support women with a range of legal needs to access legal advice from across the Law Centre.
- In partnership with Coventry City Council, we have received funding to assist people with complex cases in securing EU settled status. This project is currently funded in Coventry until September 2022.
- We are subcontracted by Voluntary Action Coventry to run an Independent Health Complaints Advocacy Service (IHCAS) providing a casework service to support clients in progressing formal complaints regarding health services, including those provided by dentists, GPs, NHS hospitals or care in a private hospital if it was paid for by the NHS, as well as complaints about NHS Continuing Healthcare. Where appropriate, the service also supports clients to complain to the Parliamentary and Health Service Ombudsman.
- We continue to partner with both Coventry University and the University of Warwick, who provide funding for supervision of their students to run advice clinics alongside our staff. We also deliver the Strategic Public Law Clinic, a joint initiative with Warwick Law in the Community (LinC). It specialises in using public law strategically to address systemic disadvantage and achieve effective change. As part of SPLC, students work with the public law and human rights team at the law centre on a variety of projects that we would be unable to pursue without our students' support. Overall this year, 95 students have assisted in increasing our capacity in employment and immigration advice in Coventry, as well as representing clients in disability benefit appeals and supporting our public law work.

Birmingham

In Birmingham our focus is on upholding the rights of migrants, including tackling destitution and homelessness, and on building new services that are relevant for the local community. In Birmingham, we offer free advice and representation in the following areas of law:

- | | | |
|-----------------------------|--------------------------|--------------------------|
| • Employment Discrimination | • Housing | • Immigration and Asylum |
| • Welfare Benefits | • Health and Social Care | • Public Law |

Trustees' annual report

For the year ended 31 March 2022

The Oak Foundation and Therium Access provided core funding for our work in Birmingham, providing a secure base for our other projects and legal aid contract services. The funding provided by Therium Access ends in March 2022 and so we will be seeking alternative core funding to support our work in Birmingham.

Our partnership with Birmingham City University, who provide funding for supervision of their students to run advice clinics alongside our staff, continues. This year 60 students have assisted in increasing our capacity in employment, immigration advice, housing advice, as well as representing clients in disability benefit appeals.

- In partnership with Birmingham City Council and two other local migrant charities we benefited from new funding under the Asylum Migration Integration Fund. The focus of this work is to improve referral pathways for support, particularly legal advice, for migrants in the city and has included the development of an online Migrant Advice Portal. The tool aims to build improved referral pathways between immigration advice organisations and generalist organisations supporting migrants; generate better insight into the needs of migrants and service provision; ensuring better communication and sharing of knowledge across all migrant organisations/services.
- Partnerships with local frontline organisations Hodge Hill Hub and ASIRT have enabled us to provide benefits, immigration and community care advice to their most vulnerable clients.
- With support from the Law Centres Network and the Public Law Project until January 2022 we were able to provide support to Birmingham CRISIS Skylight support workers to address their clients benefits and immigration issues and identify systemic issues preventing their move on from homelessness.

Regional projects

- This year we continued to be supported by the Access to Justice Foundation's Litigants in Person funding stream to enable us to run an employment rights helpline and casework service for the residents of Coventry, Birmingham and surrounding areas. This funding will end in September 2022.
- We continued to receive Urban Action Innovation Funding under MiFriendly Cities until May 2022, a Midlands wide partnership project led by Coventry City Council involving 11 partners including three city councils. As a delivery partner our contribution includes raising awareness of undocumented children's rights, as well as building legal capability and stability amongst refugees and migrants being supported by MiFriendly Cities partners.

National reach projects

- We continue to lead a consortium funded by Paul Hamlyn Foundation, Unbound Philanthropy, Barrow Cadbury, Esmée Fairbairn Foundation, Oak Foundation, Trust for London, AB Charitable Trust and Microsoft, which has established a pro bono service for children to receive immigration advice. It is called Kids in Need of Defense UK. It has so far helped more than 2,000 children with citizenship or leave to remain applications.

- We are continuing to support the charity, Access Your Right to Social Care, providing legal expertise and strategic support in their second year of operation.

During 2021/22 we responded to over 7500 enquiries for legal advice and assisted over 5,800 people across our two offices with new law related issues. We continued to work on 1,242 cases that had been started in previous years

In Coventry we started 1554 new legal cases and provided an advice-only service to a further 2,078 clients. We concluded a further 875 cases that had been opened in previous years and continued to work on 524 cases which had been opened in previous years which had not yet reached their conclusion.

In Birmingham we started 388 new legal cases and provided an advice-only service to a further 1,793 clients. We concluded a further 235 cases which had been opened in previous years and continued to work on 132 cases opened in previous years which had not reached a conclusion.

We were unable to provide advice to 1,321 people with enquiries for areas of social welfare law that we cover as we did not have capacity in our legal teams to respond (this is an average of 23% of all enquiries).

Key outcomes for clients achieved in 2021–22

- We represented 500 people at social security tribunals to challenge refusals of welfare benefits awards and were successful in 89% of cases.
- This resulted in an increase in the income of our clients by over £4.1 million of weekly income and backdated payments secured for clients over a 12-month period.
- 691 people were given advice about their housing rights and 206 families were directly prevented from being evicted through our advice and representation.
- 330 vulnerable migrants had their immigration status resolved and prevented from living in destitution. A further 926 vulnerable people were supported to apply for the EU settlement scheme.
- 762 people received specialist employment advice including about furlough, unpaid wages and unfair dismissal. We secured £412,140 for people in employment-related settlement agreements
- We advised 300 victims of domestic violence on their rights to help them make an informed choice about their options.
- We advocated for 133 people with health and social care needs to receive the services and support they were entitled to.

More information about the impact of our work is available at www.centralenglandlc.org.uk/our-impact

Key highlights from 2021–22

- We reopened our offices to the public in Coventry and Birmingham in January 2022. We operate from our premises in St Patricks Road, Coventry; and Warwick Road, Birmingham Monday to Fridays. People can access us in person by calling into reception, by telephone, by email, or via one of our partner organisations. We also offer home visits and continue to host virtual meetings for those clients who are unable to attend our premises, and we visit partner organisations to see clients where appropriate.
- Wound down our COVID–19 helpline, launched in April 2020 for partner organisations enabling direct access to the expertise and knowledge of legal specialists within the law centre and, where possible, equipping them with the information they need to resolve problems themselves. Between April 2020 and July 2021, we received 639 enquiries and referrals via the helpline. Referrals were received from 26 different organisations, including four schools and Coventry City Council, the latter of which comprised more than a third of all calls.
- Central England Law Centre continues to run EUSS application drop-in clinics at locations across Coventry. The law centre backs campaign to lift June deadline for EU Settlement Scheme and submits more than 300 applications in the weeks leading up to the 30 June 2022 deadline.
- In partnership with Grapevine, Coventry City Council Children's Services and Citizen, the law centre publishes its findings from Ignite, the five-year programme to explore how to redesign public sector support to help people earlier and build resilience in those least able to cope.
- UK's first children's citizenship ceremony takes place in Coventry, supported by Kids in Need of Defence UK, a collaboration of charities led by Central England Law Centre which aims to secure the immigration status of the estimated 215,000 undocumented children in the UK.
- MiFriendly Cities evaluation report published. The work done by Central England Law Centre is highlighted as having a lasting impact with over 100 migrant children granted indefinite leave to remain in the UK.
- Developed our rights in the community strategy to help us achieve our vision of a fairer, more just society in which an understanding of rights and their power is embedded within communities.
- The law centre is contacted by the Domestic Abuse Commissioners following distribution of the law centre briefing on Domestic Violence and Immigration with a request to discuss our work with migrant domestic violence survivors. Members of the immigration team attended the meeting during which they discussed our work in Coventry and Birmingham, gaps in the legislation and other issues of concern.
- As part of a campaign spearheaded by Asylum Matters to oppose the Nationality & Borders Bill members of the immigration & asylum team meet with Taiwo Owatemi MP. Following the successful passage of the Bill, Central England Law Centre joined more than 60 organisations across the West Midlands, including Coventry City Council and Coventry Refugee and Migrant Centre (CRMC), in opposition to its passage.
- The law centre and Grapevine host an event bringing together 37 organisations across Coventry for an urgent conversation about poverty. The Poverty Alliance is formed with the aim of initiating discussion about poverty in the city and identifying practical activity and initiatives for frontline services.

Trustees' annual report

For the year ended 31 March 2022

- As Russia invades Ukraine, law centre staff enrol in Ukraine Volunteer Advice Project, a free service run by volunteer legal professionals with immigration and asylum expertise, connecting Ukrainian citizens in need of free legal advice on UK immigration, visas, and asylum with qualified and regulated lawyers.
- Kids in Need of Defense UK supports the 2000th child to secure their immigration status as part of its mission to support the estimated 215,000 children in the UK that are undocumented.

Development of staff

All staff continued to benefit from development and training to meet needs identified through the charity's staff appraisal process.

Volunteers

Volunteers provide invaluable support to our work across both our offices. We had over 150 volunteers supporting work in all of the teams during the year. All of our volunteers this year have been from Universities in the region. Our long-standing volunteers who support the office function have been unable to support us this year due to COVID restrictions in place.

Volunteer solicitors and barristers acting in a Pro Bono capacity from a range of Law Firms, including Allen and Overy, Capsticks, St Phillips Chambers and Mills and Reeves add capacity to our employment advice helpline.

Beneficiaries of our services

We seek to make our services accessible to those who are vulnerable, disadvantaged and socially excluded. The need within the populations we service is high.

Coventry's population was 345,300 on Census Day 2021. [Facts about Coventry | Coventry City Council](#) provides the following insights into the needs of the residents of Coventry:

- 14% of residents lived in neighbourhoods in the top 10% most deprived in England.
- 37% of children in Coventry live in poverty, rising to 53% of children in poverty in St Michaels ward.
- 18% of households in Coventry are in fuel poverty, compared with 13.5% nationally.
- 14.4% of children are judged to be living in multiple deprivation.
- 17.7% of the population has a limiting long-term health problem or disability; the premature death rate and infant mortality rates are both higher than the national average and average life expectancy is shorter than the national average by a year for both males and females.
- The numbers of children looked after by the local authority per head of the under 18 population is almost 24% higher than the national average.
- 9.1% of residents have no qualifications.
- 17.3% of households have no working age residents, compared with the national average of 13.3%.

- Average annual income per head is £15,363, compared with an average of £21,609 nationally.

Birmingham's resident population is recorded as 1,144,900 according to the 2021 Census. An estimated 238,313 Birmingham residents were born overseas, of these, 44% (103,682) have been resident in the UK for less than 10 years. 2.4% of the population do not speak English well or at all. This is more than twice the regional and national averages.

Birmingham is ranked the third most deprived core city in the UK, behind Liverpool and Manchester, and is ranked the most deprived in terms of both income and employment deprivation.

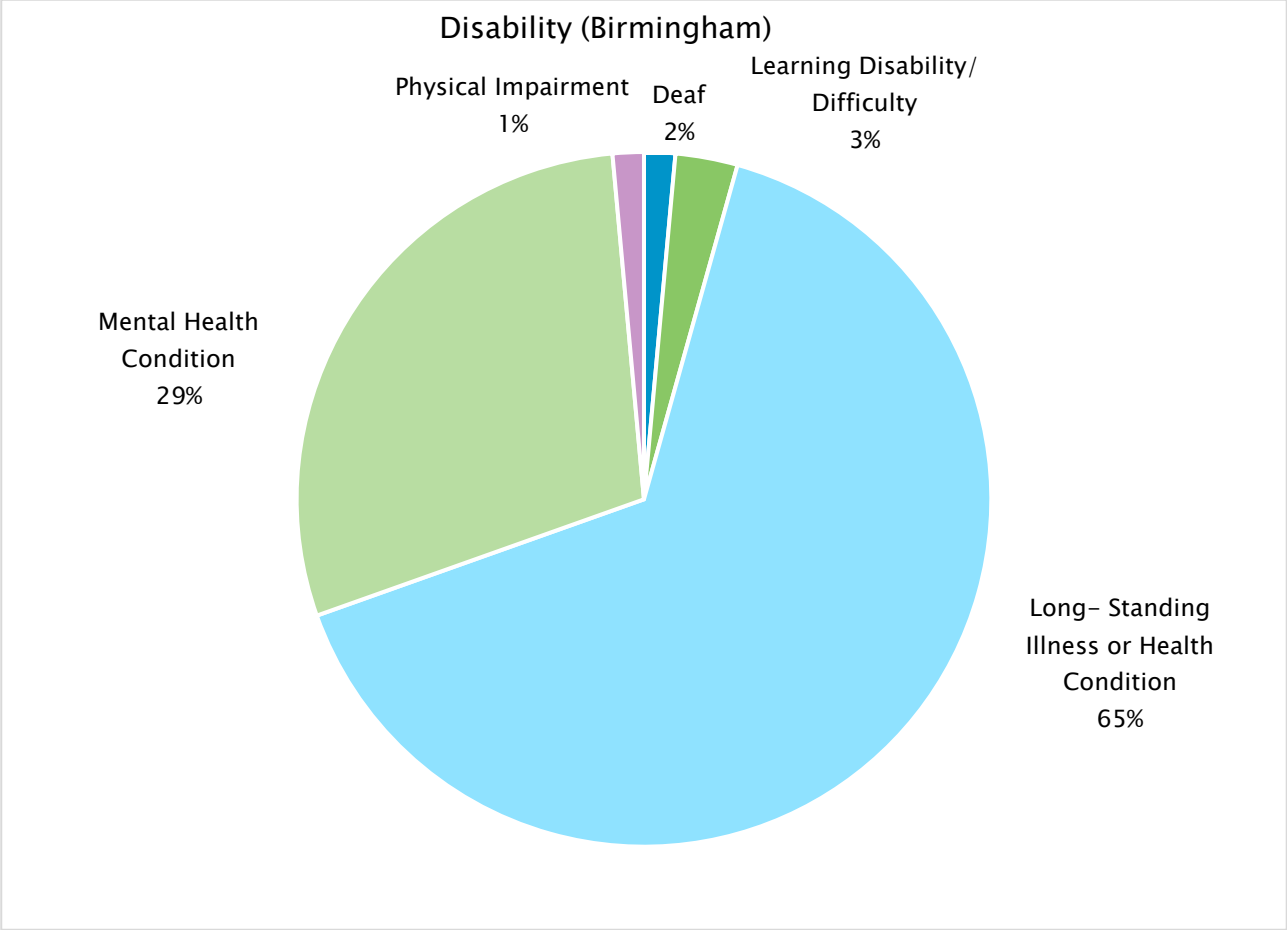
- 43% of the population live in LSOAs in the 10% most deprived in England
- 51% of children (under 16s) live in the 10% most deprived areas
- 28% of children live in income deprived households
- 26% of over 60s are income deprived
- The city is also the most deprived authority in the West Midlands Metropolitan area.
- 15% of the population has a long-term health condition or disability that limits their daily activity.

We ensure our services reach those who are most vulnerable by working in partnership with other agencies and community organisations to reach those people living in the most deprived areas of the city and those who are disabled or have physical or mental health problems. We prioritise cases where discrimination is a factor.

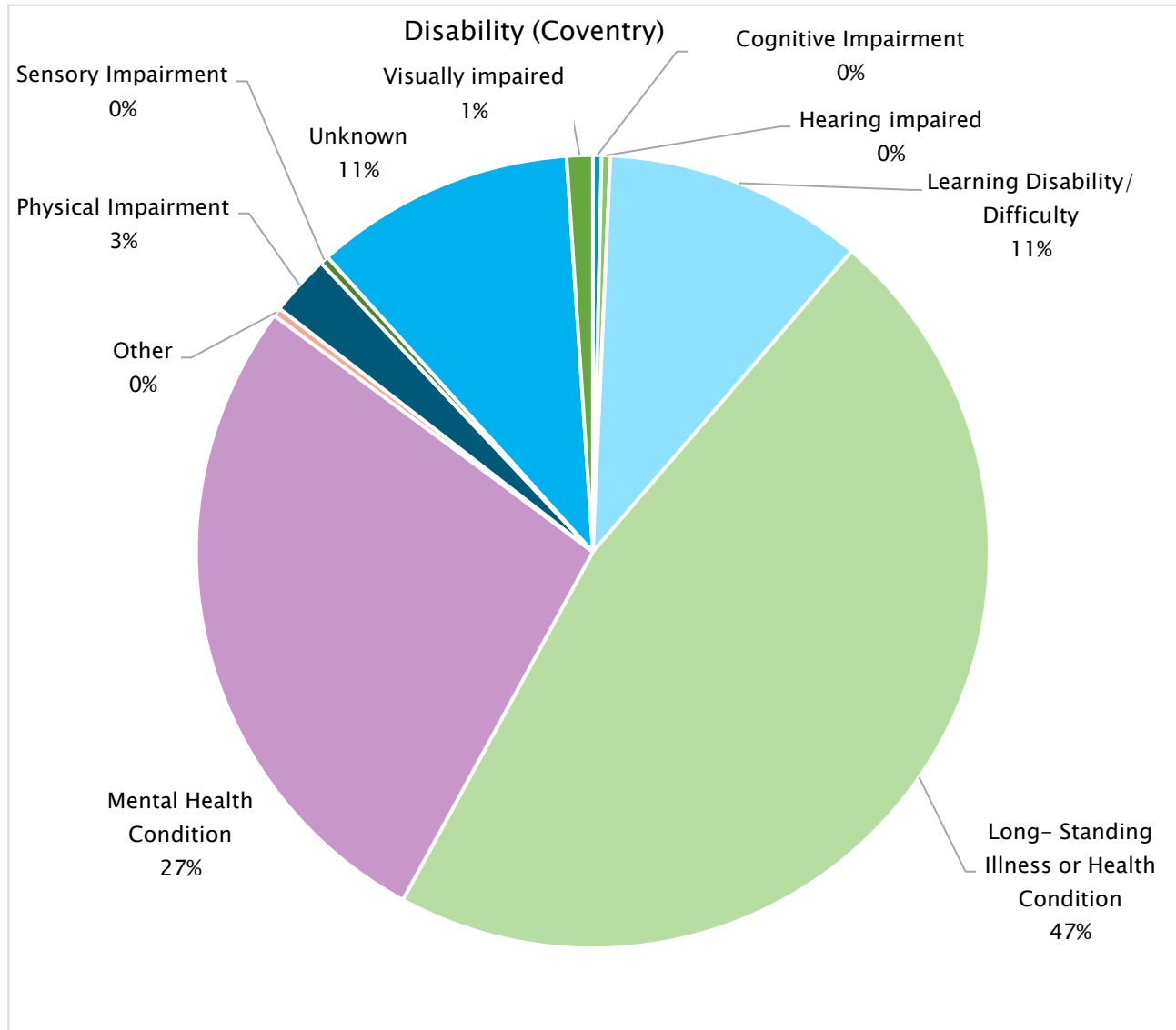
The client group that we seek to assist is being affected by both the impact of major Government reform in social welfare services and by the impact of the significant cuts in public sector spending. They have also been significantly impacted by COVID 19 and will be vulnerable to the impact of an economic recession. Looking forward, we anticipate increasing demand for our services.

We are able to collect demographic information from clients that we provide a full casework service to and some clients that we provide one-off advice to (it is often easier to do this in formal settings like at a Housing Duty Scheme at court or an in-person, drop-in clinic). The data presented here is given in proportional figures only and is based on the actual responses we obtained. It is assumed that where clients have declined to give data, they are not substantially statistically different from those clients who do provide demographic information. The characteristics of the people we have helped during 2021/22 are set out on the following pages.

Disability:
19% (69) of Birmingham clients declared a disability or serious/long term illness. Of the 69 clients in Birmingham who declared they had a disability; the following pie chart shows the proportion of clients in each category of disability.

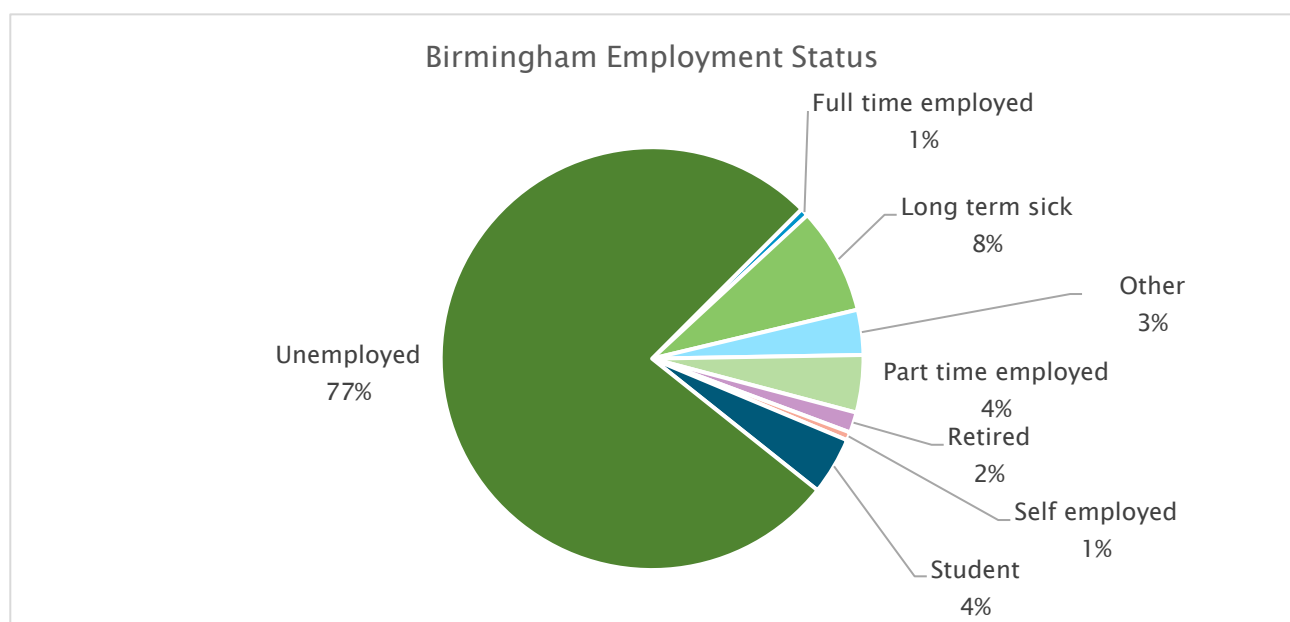
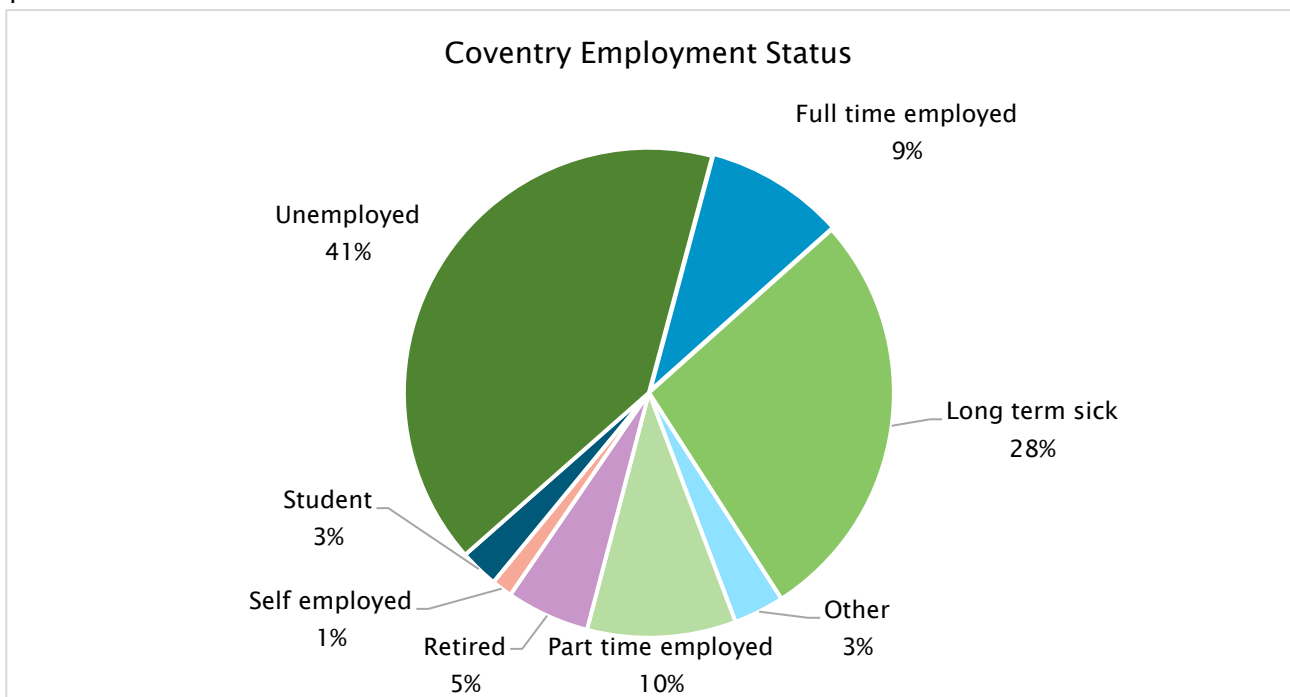


30% (283) of Coventry clients declared a disability or serious/long term illness. Of the 283 clients in Coventry who declared they had a disability; the following pie chart shows the proportion of clients in each category of disability.

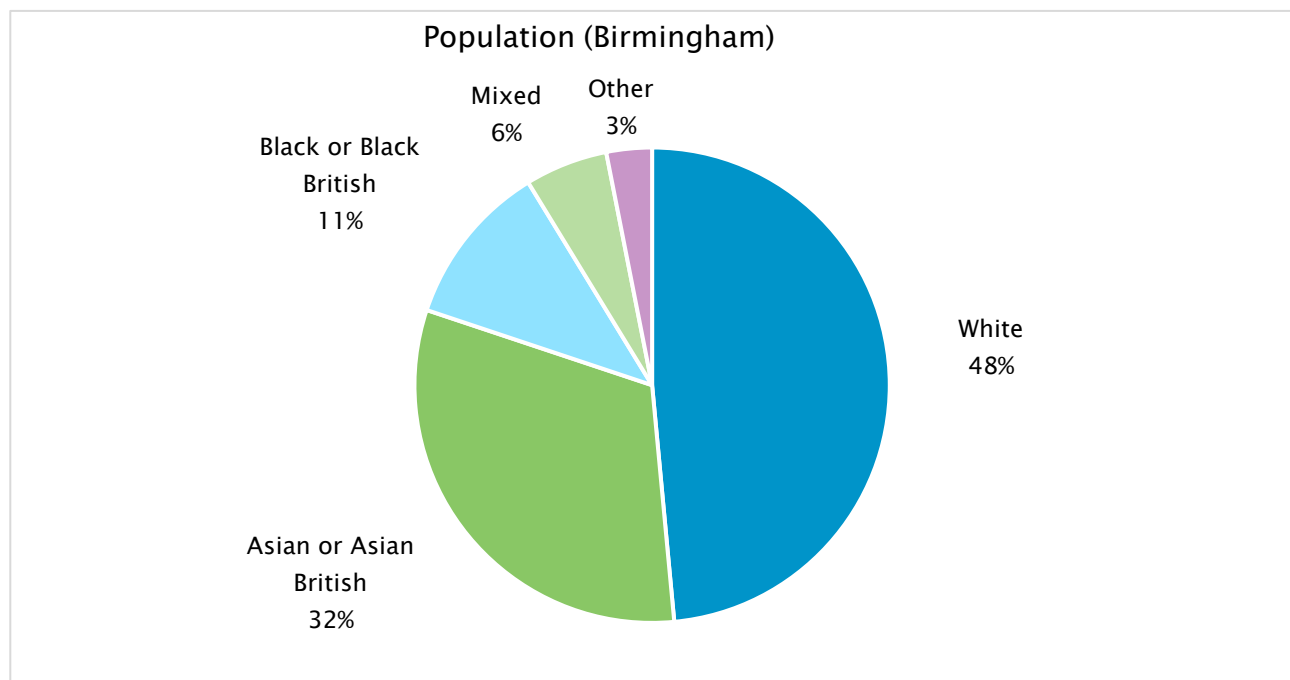
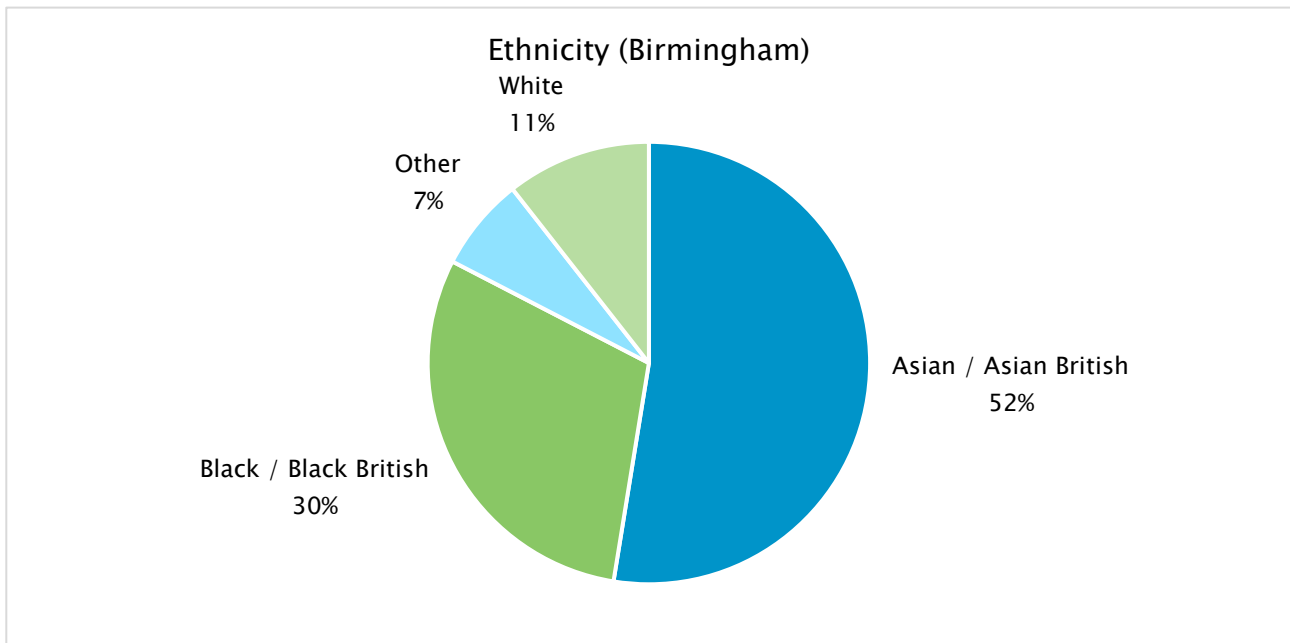


Employment status: Though the age groups most likely to be economically active form the largest proportion of our client base, the majority (75%) of our clients were not working at all (either unemployed or on long term sick leave) and only a small number (5.9%) were in full-time employment.

The age-employment profile of Birmingham clients skews marginally younger than in Coventry, but is even more strongly biased (77%) towards the working-age unemployed. This reflects our service offering in Birmingham being more limited, with the Welfare Benefits and Health and Social Care teams in Coventry contributing significantly to the number of long-term sick and older clients we provide services to.

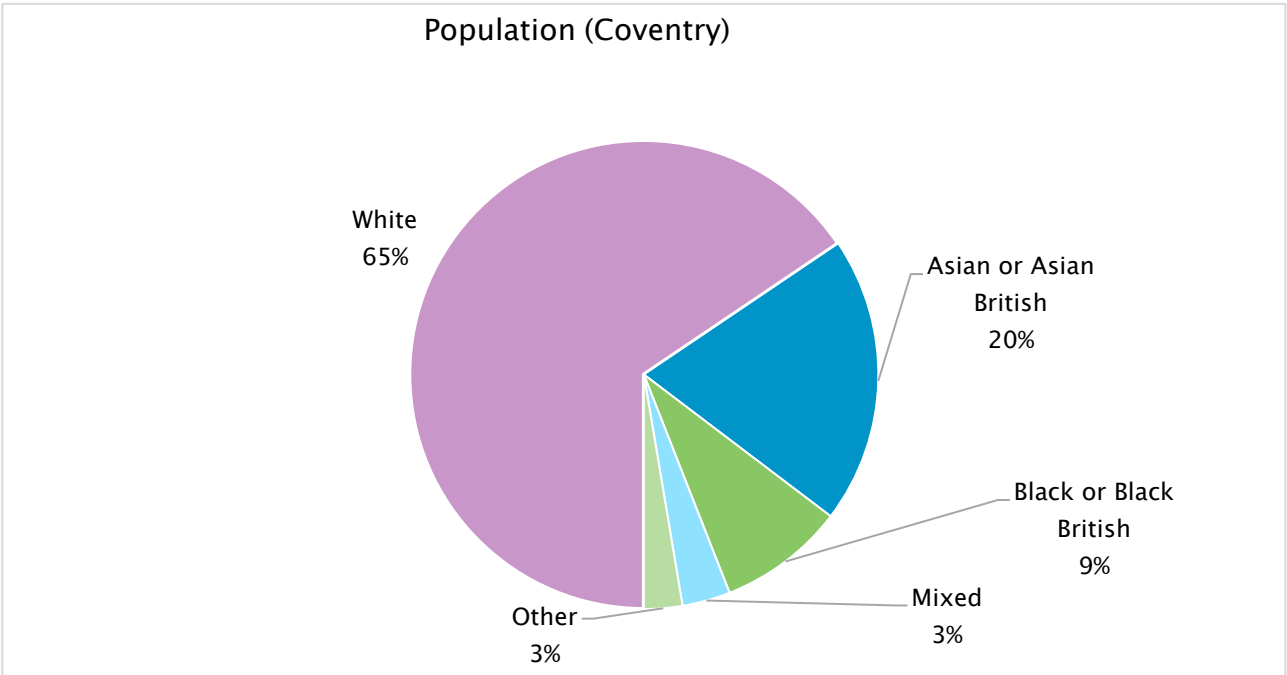
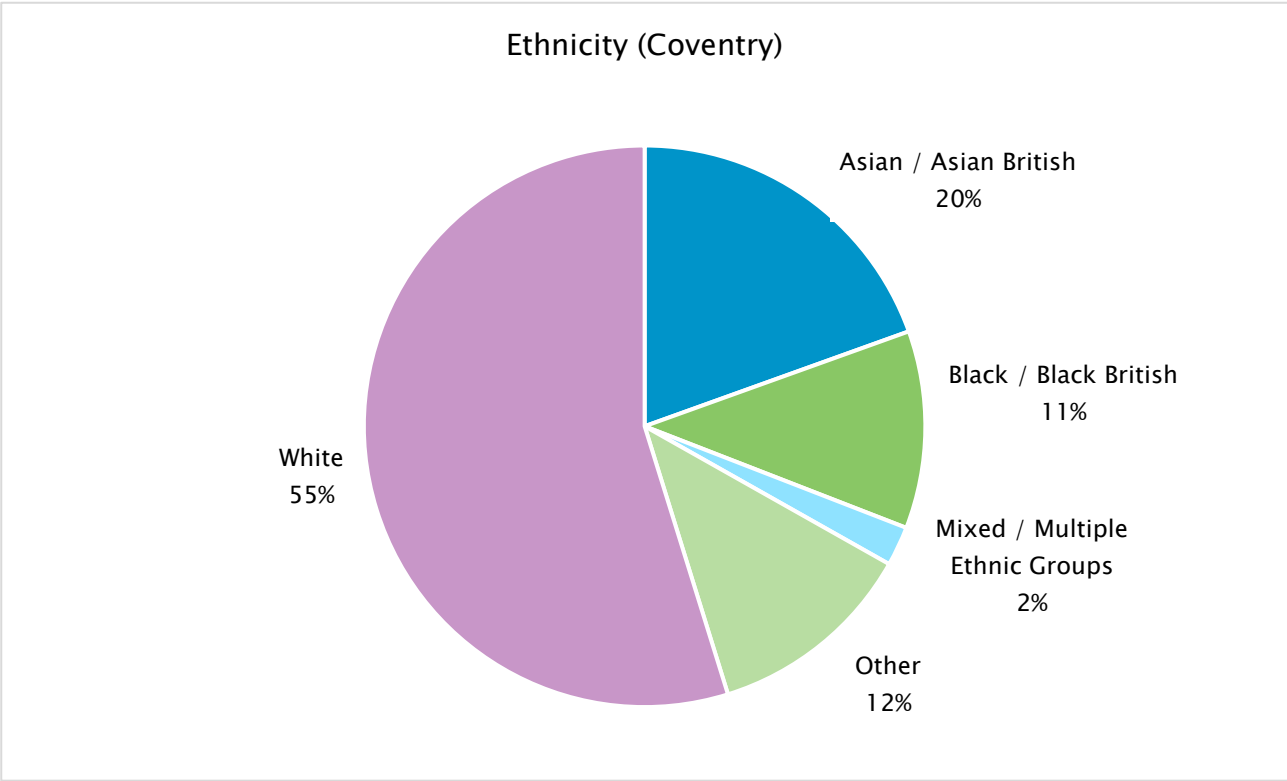


Ethnicity: The ethnicity profile of clients is shown below¹ and represents a significant (71%) use of our services by minority ethnic groups. Both Coventry and Birmingham locations see a higher overall proportion of non-white service users than is represented in the local population².



¹ Only declared ethnicities are shown. 19% of Birmingham clients and 35% of Coventry clients did not declare an ethnicity.

² Local population demographics for 2020 estimated using 2001-2011 Census data and 2018 estimates by Coventry City Council and Birmingham City Council, using a linear proportional regression following existing demographic proportion trends.



Financial review

Financial stability

In 2021/22 CELC reported an overall net increase in unrestricted funds of £497,184 (after actuarial gains relating to the West Midlands Pension Fund). General funds as at 31 March 2022 were £1,066,704 which is marginally above the range trustees have approved in the reserves policy below based on guidance outlined by the Charity Commission.

The COVID-19 pandemic had an immediate impact on our budgeted Legal Aid income in 2021/22, most notably the suspension in evictions on the casework of our housing team. However, our Legal Aid teams responded quickly to the challenge of operating remotely and adapted to continue to support our Legal Aid clients throughout. Legal Aid income in 2021/22 was therefore lower than we originally budgeted and slightly lower than the financial year 2020/21, which is a significant achievement.

The impact of the pandemic on our budgeted grant funding was fortunately limited as we managed to renegotiate timelines and delivery methods with our funding partners where necessary. We also worked closely with our University partners in adapting our student clinics to align with their COVID safe practices so our work could continue.

Many of our costs increased in response to COVID-19, most notably the expansion of our services to meet the demand for our support. During March 2020, we registered a growth in enquiries from partner organisations due to rapidly changing Government policy in response to COVID-19. We responded in April by establishing a COVID-19 helpline and weekly information pack in addition to our existing services. This work is continuing as part of a wider strategic aim to ensure legal rights are embedded within the communities we operate in. Our non-pay costs also went up compared with the last pre-pandemic year 2019/20, mainly to respond to the challenges of remote working. Our IT costs have increased significantly since March 2020 and we have invested in new equipment including laptop computers and mobile phones to allow staff to work from home. A number of changes were also made to our office space in response to our COVID-19 risk assessment. Some of our costs were offset by savings delivered through operating remotely, for example travel expenses and printing costs, and there will be an ongoing efficiency benefit from having moved to a paper-lite organisation.

We were able to secure several new restricted and unrestricted grants from funders to support us during this period, which enabled us to expand our services when they were most needed whilst maintaining financial stability. These grants funded our additional staff and non-pay costs and also the loss in Legal Aid income we had originally budgeted for 2021/22. This support from our funders means we can continue our work with partner organisations beyond 2021/22 and have further designated £50,000 of our unrestricted funds in addition to the original designation of £150,000 to continue our Rights in the Community work next year. COVID-19 has had an impact on how quickly we have been able to roll out this work and although some projects have progressed, the work is ongoing.

Trustees' annual report

For the year ended 31 March 2022

We received further funding (£100K) from Unbound Philanthropy. Funding from this donor was restricted to expenditure on the KIND project in the past. The nature of this grant means that it is unrestricted income but the funds will only be used in the furtherance of the objectives of KIND. Therefore, as it is not regarded as available as part of the general funds of CELC, the trustees have allocated these funds to the KIND Unbound Philanthropy Designated Fund.

In 2021/22, the trustees allocated an additional £50,000 to a designated fund to invest in strengthening the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy.

In 2021/22 the trustees undesignated £600,000 that was originally allocated to cover any liability that might arise due to a defined benefit pension crystallisation risk. (See note 17a to the financial statements). Having taken external legal advice and having modelled the possible outcome scenarios from such a debt crystallisation, the Trustees deemed the reserve unnecessary.

The Coventry offices of CELC are occupied under a sub-lease with the primary lessee of the property. It came to the attention of the Trustees in the year that the primary lessee was uncertain as to whether they would renew the existing lease with the ultimate landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of the dilapidations schedule is currently an estimated cost of £148,000. In accordance with recommended practice, this amount has been recognised as an expense in the current year and is recorded as a provision for liabilities and charges in the balance sheet. With uncertainty as to the final future value of the dilapidations, the Trustees decided to allocate a further £32,000 to a designated fund to provide for any increase in the cost. Should the lease be terminated, CELC will need to move to new premises, either leasehold or freehold. The Trustees have allocated £415,000 to the Property Security designated fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs.

The Trustees are aware of the financial difficulties being faced by employees in the current "Economic crisis." A sum has been allocated in 2021/22 to a Cost Of Living fund to provide for a one-off payment to staff in the year 2022/23.

Fundraising

The charity received £72,568 from unrestricted donations. Two significant donations were received, £50,000 was donated by Gowlings Solicitors from their un-allocated client funds and Crispin Passmore Consulting Ltd donated £20,105 as two donations. The charity's main funding sources are grants and contracts. The charity does not employ professional fundraisers and does not seek to fundraise from the general public.

Pension fund

The charity is an admitted body member of the West Midlands Pension Fund. This is a multi-employer pension scheme providing benefits based on career averaged re-valued earnings. Details of the pension scheme are included in note 22 of the financial statements and any potential risk attaching is noted in the principal risks and uncertainties below.

Public Benefit

The trustees have considered the Charity Commission's requirement in respect of Public Benefit. In their view the charity meets, in full, the criteria to satisfy the test. The trustees' annual report has described earlier in this report the activities undertaken to further its charitable purposes for the public benefit.

Principal risks and uncertainties

The Board of Trustees routinely reviews the major risks to which the charity is exposed, and a risk register has been established. This is reviewed by the Trustees Board at least twice a year along with a review of performance against the business plan. The Risk Register has been developed in line with Charity Commission guidance and the requirements of LEXCEL, includes an assessment of risk across the areas of Governance, Strategy, Operations, Compliance, Fraud and Dishonesty, Finance, Competence and Conflict and Confidentiality.

Each risk is assessed by impact and likelihood and given an overall risk rating. The actions that are being taken to mitigate, transfer, reduce or avoid the risk are detailed along with the internal resources to support the actions.

The most significant risks to the charity are reduction or loss of funding from the Legal Aid Agency or the charity's main funder, Coventry City Council. The Legal Aid contract is very closely managed, with significant emphasis on contract compliance and ensuring that income targets are met. These arrangements have been stress tested by all the changes to working arrangements necessitated by the pandemic and they have proven resilient.

Coventry City Council continues to place a high priority on funding for our service, but a future reduction remains a risk given the continuing pressure on local authority finances. This risk is managed by a strategy of maintaining strong relationships and providing regular updates on the impact of the charity's work.

The charity also has a strategy of bidding for funding from other sources. This has been successful, and the charity has seen an increase in the number of its funders, as well as a significant overall increase in its funds. This approach is underpinned over the next five years by work to refresh the organisational strategy, providing a framework to allow applications for unrestricted funding. This approach is proving successful, large grants having recently been awarded from Esme Fairbairn Foundation and The Legal Education Foundation.

The other key risk to financial stability is the liability currently arising from membership of the West Midlands Pension Fund. Trustees took the decision in May 2007 to close the pension scheme to new members and to manage this risk. Alternative pension provision was established. The trustees have taken account of the guidance issued by the Charity Commission on Charity Reserves and Defined Benefit Pension Schemes. This highlights that, in considering the position in relation to the FRS 102 valuation, trustees should take account that the deficit does not crystallise immediately but must consider the impact on future cash flow due to increased contributions reducing the deficit. In this context, the Trustees have corresponded with the West Midlands Pension Fund and have built the future planned contribution rates into their cash flow projections. The Trustees are satisfied that planned increases can be accommodated and will not therefore impact negatively on future operational plans and budgets. No deficit recovery payments are due to be paid in the period April 2022 – March 2023. In November 2020 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a “Guarantee document” and memorandum of understanding has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council. The guarantee provides protection to the Central England Law Centre in the event of pension debt crystallisation.

Reserves policy and going concern

The trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission and have developed a risk-based reserves policy. The policy is reviewed annually or more frequently, there being a change to the perceived associated risk. The objective of the policy is to strengthen CELC's financial resilience whilst avoiding holding funds unnecessarily. Restricted fund balances at the balance sheet date amount to £485K, these are utilised only in accordance with the funders stated objectives and are not available for the charity's general use. The trustees have allocated £1,004K to designated funds (Outlined above) within the free reserves to provide for future expenditure and liabilities to leave a general fund balance £1,067K before the pension reserve as of 31st March 2022.

The current general fund reserves target as approved by the Board of Trustees is £1m. This is based on an assessment of the risks to CELC and the finances required to ensure the charity can carry on its activities, after allocation to designated funds, in the event of unplanned changes to its financial circumstances. The risk factors that have been taken into account include:

- Reliance on Coventry City Council as a key funder.
- The short-term nature of many current funding agreements.
- CELC's ability to reduce costs without having an impact on income streams; and
- The level of unrestricted reserves held as work-in-progress (representing Legal Aid casework in process) which are funds that are not readily available in liquid form.

The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future (That being 12 months from the date of signing this report) and have therefore, used the going concern basis in preparing these financial statements.

This is based on the following assessment:

- The 2021–22 financial statements show CELC general funds of £1,067K which is marginally in excess of the approved reserves range as outlined above.
- The balance sheet shows net assets of £2,059K net of the defined benefit pensions scheme liability.
- In March 2022 the trustees approved the budget for 2021–22 showing a deficit of £529K, of which £168K applies to unrestricted funds, for the year. The deficit is covered by the release of previously designated funds against the defined projects.
- The three-year development plan approved by trustees, including risk-based scenario planning such as cuts in grant funding and an increase in pension deficit does not forecast a significant change in the general funds over that time.
- The cashflow forecast indicates a balance of £1,500K at the month end November 2022.
- The defined benefit pension scheme liability with The West Midlands Pension Fund and any further debt on crystallisation risk is protected by a guarantee agreed with Coventry City Council subject to the conditions outlined in note 17a to the financial statements.

Investment policy

The trustees are empowered by the Articles of Association to invest the charity's money as they see fit and make their decisions with reference to the Charity Commission's guidance. The current investment policy is for funds to be held on deposit with the charity's bankers at the best available rate of interest or in pooled deposit funds.

Plans for the future

In April 2022, we launched a new 5-year strategy – Rights in the Community. This strategy is underpinned by our belief that the cultures, systems and behaviours that reinforce unfairness, disadvantage and inequality need to be changed. Our vision is a fairer, more just society in which an understanding of rights and their power is embedded within the community. We believe that only by activating and embedding rights in communities can this be achieved, ensuring early and preventative action is taken to protect the rights of socially and economically disadvantaged individuals and communities. The strategy focuses our skills and resources in three strategically key areas:

- **People:** The key driver for our approach and the biggest volume of our activity is our work with individuals to ensure more people are protected by their rights and to build their understanding of where they can use legal rights to protect themselves in the future;
- **Partnerships:** We form close partnerships with other community-focused services to help to place legal rights at the heart of their work and to activate a rights-based approach in their interactions with service users, blending our work with theirs so that together we can offer more holistic support to people;
- **Policy:** We identify and share evidence of strategic issues, service gaps and patterns in clients' needs and use it as the basis for our strategic action and influencing activity; and we take

Trustees' annual report

For the year ended 31 March 2022

strategic action at a local, regional and national level to influence change in policy and legislation, ranging from strategic litigation, membership of local statutory steering groups, boards and advisory bodies through to the work of the Strategic Public Law Clinic, work on national campaigns and responding to calls for evidence.

In implementing this new strategy we will be focussed on the following:

Under our People pillar:

- Understand better the legal needs of our community so we can focus our resources most effectively – e.g., undertake local qualitative legal needs research with the University of Warwick and build better connections with local grassroots organisations to be able to respond to the issues that matter most to people.
- Develop our capacity internally to be able to offer more holistic support to clients. This will include developing new ways of delivering services in multi-disciplinary teams to better target those who most need our help.

Under our Partnerships pillar:

- Building stronger partnerships with organisations who are delivering frontline services to people in the community from food banks, to statutory organisations and working with them to help them better identify legal needs at the earliest opportunity to tackle the cost of living crisis.

Under our Policy pillar:

- Implement a new enquiries system to better capture demand and need for legal advice and feed this into service development plans and policy influencing work. We will analyse data on our client base and the need for advice services, as well as seeking and analysing feedback on our services to ensure that we deliver services that are flexible and dynamic and that can evolve to meet changing needs.

We will also be prioritising the following activities to ensure the continued strength of the organisation:

- Continue our development as a learning organisation by embedding our key learnings into all new project development activities.
- Recognising the importance of our most important asset being our current and future staff, we will undertake a workforce review over the next 3 years to ensure best practice in recruitment, retention, and progression.
- Raise additional funding to expand KIND offer to reach more undocumented children (we have a waiting list) by employing more supervising solicitors to work with pro bono solicitors from participating corporate law firms.

- Continue to ensure successful delivery of the Legal Aid Agency contracts that we hold so that individuals are able to access justice. We remain committed to challenging unfair policies and practices in the courts.
- Developing our advice and information service to survivors of domestic abuse in Birmingham, continuing to seek opportunities to partner with Birmingham Solihull and Women's Aid and others supporting survivors of domestic abuse.
- Seek funding to expand our offer in immigration, family and employment law which are the three most in demand services currently. We will also continue to see core funding support for our work in Birmingham.

Structure, governance and management

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The directors of the company are also known as trustees for the purposes of charity law. All trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Organisational structure

Central England Law Centre Ltd has a Board of up to 10 trustees who meet regularly and who are responsible for the strategic direction and policies of the charity. Elayne Hill (Sue Bent to March 2021), the Company Secretary and Chief Executive, attends all meetings of the Board but is not a member of it.

Responsibility for the provision of services and for the delivery of the business plan is delegated to the Chief Executive. The charity operations are guided by policies which are approved by the trustees, and which provide a framework for the day to day running of all aspects of the organisation.

Responsibility for professional conduct and for meeting Solicitors Regulation Authority requirements is delegated to the Senior Solicitor, Elayne Hill.

The charity employs 68 staff, of whom 44 are engaged in the direct provision of services.

The Law Centre holds the Specialist Quality Mark in each of the areas of law in which it offers advice and representation. This provides a structure for the delivery of advice and representation and sets standards for training of staff and for supervision of these services, which is delegated to each of the team supervisors.

Appointment of trustees

The Articles of Association state that one third of the trustees should retire by rotation. Graham Moffat and Jean McHale will retire and being eligible, will stand for re-election.

The nature of the work of the charity means it is important to maintain a skill mix amongst the trustees which includes knowledge and understanding of legal advice and representation, as well as an understanding of the issues relating to social exclusion and the specific social welfare needs of the population in the area in which the charity operates.

The charity has been successful in attracting several people with experience in legal advice and representation, as well as representatives from the local authority and trustees with experience of equality issues. Business and finance skills are also well represented within the trustee body, with trustees experienced in running their own businesses.

Potential new trustees are given a 'job description' and person specification for the role and are invited to submit an application and to attend an interview with the Chair, and the Chief Executive.

Trustee induction and training

New trustees attend the Centre for a brief introduction to the work of the charity. They are provided with an information pack which covers:

- Their obligations as trustees;
- Memorandum and Articles of Association;
- Previous year's annual report and accounts; and
- Current year's business plan.

Training sessions continue to focus on the work undertaken by the organisation, allowing trustees to have more contact with staff and to gain an insight into the issues they face. In addition, where necessary, training takes place as part of the monthly meetings to ensure that issues being discussed are fully understood by trustees.

The Board undertakes an annual self-evaluation of its effectiveness. This enables identification of any skill gaps, and of the training needs of the Board. From this, an annual training plan is drawn up. In addition, the effectiveness of working arrangements and information reporting is reviewed, and changes made where necessary.

Related parties and relationships with other organisations

Central England Law Centre is a member of the Law Centres' Network. This is the national body which sets the framework for the operation of Law Centres, and membership is obligatory for any organisation which wants to operate as a Law Centre. The Law Centre's Director Service Development and Impact, Claire Stern, has been elected to serve on the Executive Committee of the Law Centres' Network.

The Law Centre works in partnership with other organisations where this assists in achieving our goal of reaching clients who most need our services and who may be hard to reach, and where the partner organisation offers complementary services that improve the overall effectiveness of our specialist legal advice. For example, we are working with Grapevine Coventry and Warwickshire on Ignite, a programme funded by the Early Action Neighbourhood Fund. We are also working with KIND Inc., a US based organisation, Islington Law Centre, Just Right Scotland, Coram Children's Legal Centre and Greater Manchester Immigration Aid Unit in a collaboration called Kids in Need of Defense UK. This is a national pro bono initiative to provide immigration advice to children.

We also work with local universities to provide volunteering opportunities for students and to extend our capacity to provide free advice. The Universities involved are Coventry, Warwick and Birmingham City University.

Remuneration policy for key management personnel

The remuneration policy for all personnel with the exception of the Chief Executive is determined by a salary scale which is reviewed for potential cost of living increases annually by trustees. Trustees may review the scale itself from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries individually when they set the budget at the start of the year.

The salary for the Chief Executive was assessed by reference to market rates in comparable organisations when the post holder was appointed. It has been reviewed for inflation in line with other salaries in the organisation.

Funds held as custodian trustee on behalf of others

Central England Law Centre does not perform this function.

Statement of responsibilities of the trustees

The trustees (who are also directors of Central England Law Centre Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

Trustees' annual report

For the year ended 31 March 2022

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 8 (2021: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 25 October 2022 and signed on their behalf by

Keith Wilding
Chair

Independent auditor's report

To the members of

Central England Law Centre Limited

Opinion

We have audited the financial statements of Central England Law Centre (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Central England Law Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine

Independent auditor's report

To the members of

Central England Law Centre Limited

is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

Independent auditor's report

To the members of

Central England Law Centre Limited

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

14 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Central England Law Centre Limited

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations	2	72,568	600	73,168	8,987	600	9,587
Charitable activities							
Legal and other advisory services	3	948,112	2,538,768	3,486,880	902,802	2,825,378	3,728,180
Investments		528	–	528	1,281	–	1,281
Other		13,323	–	13,323	17,481	–	17,481
Total income		1,034,531	2,539,368	3,573,899	930,551	2,825,978	3,756,529
Expenditure on:							
Charitable activities	4						
Legal and other advisory services		888,044	2,580,965	3,469,009	475,030	2,994,233	3,469,263
Total expenditure		888,044	2,580,965	3,469,009	475,030	2,994,233	3,469,263
Net income for the year	6	146,487	(41,597)	104,890	455,521	(168,255)	287,266
Transfers between funds		(24,303)	24,303	–	(72,231)	72,231	–
Net income / (expenditure) before other recognised gains		122,184	(17,294)	104,890	383,290	(96,024)	287,266
Actuarial gains on defined benefit pension schemes	22	375,000	–	375,000	(290,000)	–	(290,000)
Net movement in funds		497,184	(17,294)	479,890	93,290	(96,024)	(2,734)
Reconciliation of funds:							
Total funds brought forward		1,077,303	502,047	1,579,350	984,013	598,071	1,582,084
Total funds carried forward		1,574,487	484,753	2,059,240	1,077,303	502,047	1,579,350

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Central England Law Centre Limited

Balance sheet

Company no. 04149673

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	11		–		907
Current assets:					
Work in progress	12	887,300		887,396	
Debtors	13	1,316,596		1,253,014	
Cash at bank and in hand		1,167,093		1,638,542	
		<u>3,370,989</u>		<u>3,778,952</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(823,749)		(1,383,509)	
Net current assets			<u>2,547,240</u>		<u>2,395,443</u>
Total assets less current liabilities			<u>2,547,240</u>		<u>2,396,350</u>
Defined benefit pension scheme liability	22		(488,000)		(817,000)
Total net assets			<u>2,059,240</u>		<u>1,579,350</u>
The funds of the charity:	17a				
Restricted income funds			484,753		502,047
Unrestricted income funds:					
Designated funds		995,783		947,978	
General funds		1,066,704		946,325	
Pension reserve		(488,000)		(817,000)	
		<u></u>		<u></u>	
Total unrestricted funds			<u>1,574,487</u>		<u>1,077,303</u>
Total charity funds			<u>2,059,240</u>		<u>1,579,350</u>

Approved by the trustees on 25 October 2022 and signed on their behalf by

Keith Wilding
Chair

Central England Law Centre Limited

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities	18				
Net cash provided by / (used in) operating activities		(471,977)		63,542	
Cash flows from investing activities:					
Interest received		528		1,281	
Purchase of fixed assets		—		—	
Net cash provided by / (used in) investing activities		528		1,281	
Change in cash and cash equivalents in the year		(471,449)		64,823	
Cash and cash equivalents at the beginning of the year		1,638,542		1,573,719	
Cash and cash equivalents at the end of the year	19	1,167,093		1,638,542	

1 Accounting policies

a) Statutory information

Central England Law Centre Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Oakwood House, St Patrick's Road Entrance, Coventry, CV1 2HL.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Critical estimates and judgements

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the relevant note to the accounts, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In December 2019 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a guarantee document has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Amounts receivable under contracts for legal services are scheduled on an accruals basis. Income reflects the fair value of services provided on each assignment, including expenses and disbursements.

Income received in excess of time recorded (inter partes costs) is recognised when the amounts have been agreed by third parties.

Unbilled income is shown as work in progress and is valued on an hourly rate as determined by the Legal Aid Agency. Unbilled disbursements expended are shown as debtors.

Other income is included when receivable.

g) 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.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing legal and other advisory services
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| ● Computer equipment | 3 years |
| ● Office equipment | 5 years |
| ● Property improvements | 5 years |

m) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Client accounts

As part of working practices the charity holds third party funds in separate designated bank accounts. These funds are not assets of the charity and are not accounted for in these financial statements.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

q) 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.

1 Accounting policies (continued)**r) Pensions**

Retirement benefits to employees of the charity are provided by Scottish Widows (a defined contribution scheme) and the Local Government Pension Scheme (West Midlands Pension Fund). The Local Government Pension Scheme is a funded defined benefit scheme and the assets are held separately from those of the charity. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses. The Trustees note that the calculated notional deficit or surplus calculated under FRS 102 can vary greatly from year to year depending on the assumptions made at the valuation date.

2 Income from donations

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Gowlings Solicitor	50,000	–	50,000	–	–	–
Crispin Passmore Consulting Ltd	20,105	–	20,105	–	–	–
Small Donations	2,463	600	3,063	8,987	600	9,587
	<u>72,568</u>	<u>600</u>	<u>73,168</u>	<u>8,987</u>	<u>600</u>	<u>9,587</u>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the financial statements

For the year ended 31 March 2022

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Coventry City Council – grant	–	439,726	439,726	–	439,726	439,726
Therium	–	25,000	25,000	–	25,000	25,000
The Oak Foundation	–	96,000	96,000	–	96,000	96,000
Unbound Philanthropy	100,000	–	100,000	–	–	–
Legal Aid Agency	473,870	–	473,870	555,062	–	555,062
Other profit costs	104,709	–	104,709	18,500	–	18,500
Income from liquidators	–	–	–	16,674	–	16,674
Coventry Building Society – Homelessness Prevention Project	–	15,000	15,000	–	15,000	15,000
Coventry City Council – Advice for Families Anchor Centre	–	–	–	–	87,787	87,787
	–	9,016	9,016	–	9,016	9,016
The Legal Education Foundation – Justice First Fellowships	–	42,242	42,242	–	5,966	5,966
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	–	68,000	68,000	–	135,374	135,374
The Legal Education Foundation – the RIPPLE Project	–	22,923	22,923	–	36,525	36,525
Kids in Need of Defence	–	574,490	574,490	–	543,486	543,486
Voluntary Sector Consortium – Coventry Healthwatch	–	60,093	60,093	–	54,368	54,368
Coventry City Council – Syrian Families project	–	–	–	–	12,500	12,500
Allen & Overy – Volunteers	–	10,000	10,000	–	10,000	10,000
Smallwood Trust – Improving Financial Security of Women	–	52,041	52,041	–	37,762	37,762
Coventry City Council – MiFriendly Cities	–	9,017	9,017	–	24,851	24,851
Access Your Right To Care	–	455,684	455,684	–	603,634	603,634
Law Centres Network – EUSS Complex Cases Project	–	–	–	–	36,299	36,299
Coventry University	90,934	–	90,934	85,966	–	85,966
University of Warwick	65,132	–	65,132	62,870	–	62,870
Barrow Cadbury – Benefits Aware	–	–	–	–	300	300
Controlling Migration Fund	–	–	–	–	138,425	138,425
Red Cross – Families Together	–	16,250	16,250	–	19,638	19,638
Birmingham City University	113,467	–	113,467	103,730	–	103,730
Funder Plus	–	–	–	–	8,400	8,400
Coventry Building Society – Mental Health	–	30,000	30,000	–	25,000	25,000
Coventry City Council – EUSS Complex Cases Project	–	63,826	63,826	–	34,715	34,715
Access to Justice Foundation – Support for Litigants in Person	–	114,663	114,663	–	48,396	48,396
The Baring Foundation – Community Justice AMIF	–	26,667	26,667	–	–	–
	–	206,391	206,391	–	62,508	62,508
Birmingham City Council – EUSS Project	–	52,739	52,739	–	35,053	35,053
Law Centres Network – PLP Crisis Hubs	–	15,000	15,000	–	5,000	5,000
Esmee Fairbairn Foundation – COVID	–	–	–	40,000	–	40,000
Paul Hamlyn Foundation – COVID-19 Grant	–	–	–	20,000	–	20,000
COVID LCN Community Justice	–	–	–	–	15,000	15,000
Comic Relief – COVID-19 Recovery Funding	–	–	–	–	40,000	40,000
Access to Justice Foundation – Community Justice Fund	–	–	–	–	219,649	219,649
Coventry Building Society – Families	–	30,000	30,000	–	–	–
Ministry of Housing, Communities and Local Government RJHNC and Revenue Project	–	14,000	14,000	–	–	–
The Baring Foundation – Help & Information Pack	–	30,000	30,000	–	–	–
Community Justice Fund	–	60,000	60,000	–	–	–
Total income from charitable activities	948,112	2,538,768	3,486,880	902,802	2,825,378	3,728,180

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

	Charitable activities £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 7)	1,369,358	–	678,311	2,047,669	1,973,528
Insurance	19,342	281	–	19,623	16,257
Publications	558	–	–	558	5,034
Subscriptions	19,214	–	–	19,214	15,300
Courses	22,011	–	–	22,011	8,707
Disbursements	3,769	–	–	3,769	6,025
Communications	20,084	–	–	20,084	16,572
Premises costs	–	–	246,680	246,680	93,881
Other costs	–	131	173,769	173,900	122,574
Depreciation and sundry equipment	–	–	8,112	8,112	47,009
Printing, postage and stationery	–	–	12,241	12,241	15,594
Travel	–	–	1,422	1,422	723
Bank charges	–	–	406	406	437
Grant funded activities	863,820	–	–	863,820	1,136,809
Client payments	17,500	–	–	17,500	–
Audit	–	12,000	–	12,000	10,813
	<u>2,335,656</u>	<u>12,412</u>	<u>1,120,941</u>	<u>3,469,009</u>	<u>3,469,263</u>
Support costs	1,120,941	–	(1,120,941)	–	–
Governance costs	12,412	(12,412)	–	–	–
Total expenditure 2022	<u>3,469,009</u>	<u>–</u>	<u>–</u>	<u>3,469,009</u>	
Total expenditure 2021	<u>3,469,263</u>	<u>–</u>	<u>–</u>		<u>3,469,263</u>

Grant funded activities is expenditure specific to projects. This includes £833,218 (2021: £1,024,492) we have received from funders to pay to partner organisations for work done on projects.

4b Analysis of expenditure (prior year)

	Charitable activities £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 7)	1,457,140	–	516,388	1,973,528
Insurance	16,058	199	–	16,257
Publications	5,034	–	–	5,034
Subscriptions	15,300	–	–	15,300
Courses	8,707	–	–	8,707
Disbursements	6,025	–	–	6,025
Communications	–	–	16,572	16,572
Premises costs	–	–	93,881	93,881
Other costs	–	–	122,574	122,574
Depreciation and sundry equipment	–	–	47,009	47,009
Printing, postage and stationery	–	–	15,594	15,594
Advertising	–	–	–	–
Travel	–	–	723	723
Bank charges	–	–	437	437
Grant funded activities	1,136,809	–	–	1,136,809
Client payments	–	–	–	–
Audit	–	10,813	–	10,813
	<u>2,645,073</u>	<u>11,012</u>	<u>813,178</u>	<u>3,469,263</u>
Support costs	813,178	–	(813,178)	–
Governance costs	<u>11,012</u>	<u>(11,012)</u>	<u>–</u>	<u>–</u>
Total expenditure 2021	<u>3,469,263</u>	<u>–</u>	<u>–</u>	<u>3,469,263</u>

Grant funded activities is expenditure specific to projects. This includes £1,024,492 we have received from funders to pay to partner organisations for work done on projects.

Notes to the financial statements

For the year ended 31 March 2022

5a Grant making (current year)

	Grants £	2022 £
Project		
Ignite Project	7,298	7,298
Kids In Need of Defense	331,458	331,458
Access Your Right to Care	436,305	436,305
Support for Litigants in Person	48,903	48,903
Families Together	9,254	9,254
At the end of the year	833,218	833,218

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2022 £
Payments were made to organisations for activities as below:	
Grapevine Coventry & Warwickshire Ltd	7,298
Islington Law Centre	150,339
Coram Children's Legal Centre	98,804
JustRight Scotland	23,297
Greater Manchester Immigration Aid Unit	59,018
Access Your Right to Care	436,305
Derbyshire Law Centre	48,903
Red Cross	9,254
At the end of the year	833,218

5b Grant making (prior year)

	Grants £	2021 £
Project		
Ignite Project	96,628	96,628
Kids In Need of Defense	242,227	242,227
Access Your Right to Care	661,539	661,539
Support for Litigants in Person	24,098	24,098
At the end of the year	1,024,492	1,024,492

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2021 £
Payments were made to organisations for activities as below:	
Grapevine Coventry & Warwickshire Ltd	96,628
Islington Law Centre	139,742
Coram Children's Legal Centre	74,198
JustRight Scotland	28,287
Access Your Right to Care	661,539
Derbyshire Law Centre	24,098
At the end of the year	1,024,492

6 Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	907	1,251
Professional Indemnity Insurance	7,370	6,496
Operating lease rentals:		
Property	59,747	58,104
Other	4,735	4,586
Auditor's remuneration (excluding VAT):		
Audit	12,000	11,000

Notes to the financial statements

For the year ended 31 March 2022

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,775,677	1,714,672
Redundancy and termination costs	–	8,162
Social security costs	162,208	158,972
Employer's contribution to defined contribution pension schemes	47,187	40,993
Operating costs of defined benefit pension schemes	58,725	44,300
Recruitment costs	3,872	6,429
	2,047,669	1,973,528

The redundancy and termination costs were settled and £8,162 was paid in April 2021.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	1	1

Key management personnel include the Trustees, the Chief Executive, the Head of Operations and Legal Practice, the Head of Finance and IT and the Head of Impact and Service Development. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £195,380 (2021: £196,015).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No trustee received any remuneration in either year. No trustee expenses were paid for by the charity in the year (2021: £Nil for 0 trustee).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 68 (2021: 67).

Staff are split across the activities of the charitable company as follows :

	2022 No.	2021 No.
Support staff	24	22
Legal and advisory staff	44	45
	68	67

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Aggregate donations from related parties were £nil (2021: £nil).

Councillor Anthony Tucker and Councillor David Walsh are members of Coventry City Council.

As Cllr Tucker and Cllr Welsh do not have significant control over decisions regarding funding for the Law Centre made by Coventry City Council, the Trustees have not included any details of funding under related parties.

The company secretary and chief executive, S Bent is also a director of Voluntary Sector Consortium.

During the year, the charity received income of £60,093 (2021: £54,368) from Voluntary Sector Consortium. At 31 March 2022 a balance of £nil (2021: £9,976) was due from Voluntary Sector Consortium.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At the start of the year	66,902	69,568	23,724	160,194
At the end of the year	66,902	69,568	23,724	160,194
Depreciation				
At the start of the year	66,202	69,361	23,724	159,287
Charge for the year	700	207	-	907
At the end of the year	66,902	69,568	23,724	160,194
Net book value				
At the end of the year	-	-	-	-
At the start of the year	700	207	-	907

All of the above assets are used for charitable purposes.

12 Work in progress

	2022 £	2021 £
Legal work performed but unbilled at year end	887,300	887,396
	887,300	887,396

13 Debtors

	2022 £	2021 £
Other debtors including disbursements	800,019	901,989
Prepayments and accrued income	516,577	351,025
	1,316,596	1,253,014

14 Creditors: amounts falling due within one year

	2022 £	Restated 2021 £
Trade creditors	404,887	441,352
Taxation and social security	41,216	44,388
VAT	201	10,835
Other creditors	15,000	240
Pension creditor	11,712	11,409
Accruals	91,325	145,376
Provision for liabilities and charges	148,000	–
Deferred income	111,408	729,909
	823,749	1,383,509

15 Deferred income

Deferred income represents grants received relating to future periods or where the performance related conditions have not yet been met by the charity.

	2022 £	Restated 2021 £
Balance at the beginning of the year	729,909	844,695
Receipts in advance	1,989,325	1,937,068
Released to income in the year	(2,607,826)	(2,051,854)
Balance at the end of the year	111,408	729,909

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	–	–	–
Current assets	1,779,045	995,783	596,161	3,370,989
Current liabilities	(712,341)	–	(111,408)	(823,749)
Defined benefit pension liability	(488,000)	–	–	(488,000)
Net assets at 31 March 2022	578,704	995,783	484,753	2,059,240

16b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	907	–	–	907
Current assets	1,598,282	956,528	1,224,142	3,778,952
Current liabilities	(652,864)	(8,550)	(722,095)	(1,383,509)
Defined benefit pension liability	(817,000)	–	–	(817,000)
Net assets at 31 March 2021	129,325	947,978	502,047	1,579,350

Notes to the financial statements

For the year ended 31 March 2022

17a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry Building Society – Mental Health	–	30,000	(30,000)	–	–
Coventry Building Society – Families	–	30,000	(30,000)	–	–
Voluntary Sector Consortium – Coventry Healthwatch	1,666	60,093	(56,750)	–	5,009
Virgin Health – Anchor Centre	–	9,016	(9,016)	–	–
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	–	68,000	(68,000)	–	–
Kids in Need of Defense	500,606	574,490	(595,352)	–	479,744
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	52,041	(52,041)	–	–
Coventry City Council – MiFriendly Cities	–	9,017	(9,918)	901	–
The Legal Education Foundation – the RIPPLE Project roll out phase	–	22,923	(22,923)	–	–
Coventry City Council – EUSS Complex Cases Project	–	63,826	(63,826)	–	–
The Oak Foundation – Access Your Right to Care	–	455,684	(455,684)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	114,663	(114,663)	–	–
The Legal Education Foundation – Justice First Fellowships	–	42,242	(42,242)	–	–
The Baring Foundation – Community Justice Therium	(225)	26,667	(26,442)	–	–
Oak Foundation	–	25,000	(25,000)	–	–
Red Cross – Families Together	–	96,000	(96,000)	–	–
Asylum, Migration and Integration Fund	–	16,250	(16,250)	–	–
Birmingham City Copuncil – EUSS Project	–	206,391	(229,323)	22,932	–
Law Centres Network – PLP Crisis Hubs	–	52,739	(52,739)	–	–
Ministry of Housing, Communities and Local Government RJHNC and Revenue Project	–	15,000	(15,000)	–	–
COVID	–	14,000	(14,000)	–	–
The Baring Foundation – Help & Information Pack	–	30,000	(30,470)	470	–
Community Justice Fund	–	60,000	(60,000)	–	–
Total restricted funds	502,047	2,539,368	(2,580,965)	24,303	484,753
Designated funds:					
Transformation fund	197,978	–	(88,371)	50,000	159,607
Legal Support fund	150,000	–	(30,824)	50,000	169,176
Pension fund	600,000	–	–	(600,000)	–
Kind Unbound Philanthropy Fund	–	–	–	100,000	100,000
Dilapidations fund	–	–	–	52,000	52,000
Property Security Fund	–	–	–	415,000	415,000
Cost of Living fund	–	–	–	100,000	100,000
Total designated funds	947,978	–	(119,195)	167,000	995,783
General funds	946,325	764,998	(453,316)	(191,303)	1,066,704
Coventry University	–	90,934	(90,934)	–	–
University of Warwick	–	65,132	(65,132)	–	–
Birmingham City University	–	113,467	(113,467)	–	–
Total unrestricted funds	946,325	1,034,531	(722,849)	(191,303)	1,066,704
Pension reserve	(817,000)	329,000	–	–	(488,000)
Total funds including pension fund	1,579,350	3,902,899	(3,423,009)	–	2,059,240

17a Movements in funds (continued)

The narrative to explain the purpose of each fund is given at the foot of the note below.

The grant received from Coventry City Council for the Mifriedly Cities project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £901 for the year (2021: £12,307).

The grant received from Birmingham City Council for the Asylum, migration and integration fund project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £22,932 for the year (2021: £6,945).

In 2019/20 £220,000 was allocated to a designated reserve for a transformation programme as agreed by the Trustees. In 2021/22 the Trustees agreed to allocate a further £50,000 to increase capacity. The funds are expected to be spent over the period April 2020 – March 2023. The purpose of the expenditure is to strengthen the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy. The costs include a Process and Change Manager, an interim management promotion and assistant support to the management team.

In 2020/21 £100,000 has been designated by the Trustees to the Kind Unbound Philanthropy Fund. Previous grants from this funder have been restricted to the furtherance of the objectives of the KIND project. Although this grant is unrestricted, the Trustees have determined that it will be solely applied to KIND.

In 2020/21 £150,000 has been designated by the Trustees to continue our work on ensuring Rights in the Community. The purpose of the funds is largely to support the salary costs of the delivery team. In 2021/22 the Trustees agree to increase capacity by designating a further £50,000 and extending the longevity of the project.

In 2020/21 the trustees designated £600,000 for a pension liability crystallisation risk. Historically CELC employees had access to the Local Government Pension Scheme via the West Midlands Pension Fund. Scheme entry was closed in 2007 for new members and there are now only two active members of the scheme. Once the last CELC employee who is also an active member of the fund leaves CELC employment, this triggers what is referred to as a pension fund crystallisation event. A guarantee document has been agreed between Coventry City Council (CCC), West Midlands Pension Fund and CELC providing protection in the event of a crystallisation event. An accompanying agreement between CCC and CELC states that in the event of crystallisation, the order of preference is for CELC to a) settle the amount in full b) in part or c) CCC will settle the amount in full if CELC is unable. The Trustees have therefore agreed to designate an amount in recognition of this agreement. After a further detailed review and taking external legal advice, the Trustees were of the opinion that the likelihood of an immediately payable sum crystallising were remote and therefore reversed the previous designation.

The Coventry premises are occupied under a sub lease with the primary lessee of the property. It came to the attention of the Trustees in the year that the primary lessee was uncertain as to whether they would renew the existing lease with the landlord. The lease agreement provides for the property to be returned to its original condition as at the time the agreement was entered into. A schedule of dilapidations was commissioned by the primary lessee. CELC's share of the dilapidations schedule is an estimated cost of £200,000. Therefore the Trustees decided to allocate an equivalent sum to a designated fund to provide for such an eventuality. Should the lease be terminated, CELC will need to move to new premises, either leasehold or freehold. The Trustees have allocated £415,000 to the Property Security Fund to cover the costs of a deposit payment on a suitable premises should a freehold property be acquired, legal fees and relocation costs.

The Trustees are aware of the difficulties being faced by employees in the current "Economic crisis." A sum has been allocated to a Cost Of Living fund to provide for a one-off payment to staff in the year 2022/23.

17b Movements in funds (prior year)

	At 31 March 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry Building Society – Mental Health	–	25,000	(25,000)	–	–
Voluntary Sector Consortium – Coventry Healthwatch	–	54,368	(52,702)	–	1,666
Coventry City Council – Advice for Families	–	87,787	(87,787)	–	–
Virgin Health – Anchor Centre	–	9,016	(9,016)	–	–
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	39,884	135,374	(175,258)	–	–
Kids in Need of Defense	411,903	543,486	(454,783)	–	500,606
Coventry City Council – Syrian Families project	–	12,500	(12,500)	–	–
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	37,762	(37,762)	–	–
Coventry City Council – MiFriendly Cities	24,374	24,851	(61,532)	12,307	–
The Legal Education Foundation – the RIPPLE Project roll out phase	50	36,525	(36,575)	–	–
Law Centres Network – EUSS Complex Cases Project	–	36,299	(36,299)	–	–
Coventry City Council – EUSS Complex Cases Project	–	34,715	(34,715)	–	–
Legal Education Foundation – Maximising IT	2,061	–	(2,182)	121	–
The Oak Foundation – Access Your Right to Care Funder Plus	82,532	603,634	(686,166)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	8,400	(8,400)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	48,396	(48,396)	–	–
The Legal Education Foundation – Justice First Fellowships	–	5,966	(5,966)	–	–
The Baring Foundation – Community Justice Birmingham City University – contribution to cloud migration	–	–	(225)	–	(225)
Baring Foundation – Mother and Child Project Therium	9,736	–	(10,194)	458	–
Oak Foundation	–	–	–	–	–
Barrow Cadbury – Benefits Aware	–	25,000	(25,000)	–	–
The Oak Foundation – Legal Advice Project	–	96,000	(96,000)	–	–
Red Cross – Families Together	–	300	(300)	–	–
Controlling Migration Fund	22,865	–	(22,865)	–	–
Asylum, Migration and Integration Fund	2,057	19,638	(21,695)	–	–
Birmingham City Copuncil – EUSS Project	2,609	138,425	(141,093)	59	–
Law Centres Network – PLP Crisis Hubs	–	62,508	(69,453)	6,945	–
COVID	–	35,053	(35,053)	–	–
COVID LCN Community Justice	–	5,000	(5,000)	–	–
Comic Relief – COVID 19 Recovery Fund	–	15,000	(15,000)	–	–
Access to Justice Foundation – Community Justice Fund	–	40,000	(40,018)	18	–
Total restricted funds	598,071	2,825,978	(2,994,233)	72,231	502,047
Designated funds:					
Transformation fund	220,000	–	(22,022)	–	197,978
Legal Support fund	–	–	–	150,000	150,000
Pension fund	–	–	–	600,000	600,000
Total designated funds	220,000	–	(22,022)	750,000	947,978
General funds	1,260,013	677,985	(169,442)	(822,231)	946,325
Coventry University	–	85,966	(85,966)	–	–
University of Warwick	–	62,870	(62,870)	–	–
Birmingham City University	–	103,730	(103,730)	–	–
Total unrestricted funds	1,260,013	930,551	(422,008)	(822,231)	946,325
Pension reserve	(496,000)	–	(321,000)	–	(817,000)
Total funds including pension fund	1,582,084	3,756,529	(3,759,263)	–	1,579,350

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (continued)

Purposes of restricted funds

Coventry City Council – grant	To support legal casework for people in Coventry
Subscription fund	A regular donation to pay for a subscription is made by an ex-employee
Advice Services Coventry	Funding received to maintain a website for the advice centres in Coventry to make referrals to partner agencies
Coventry Building Society – Homelessness Prevention Project	Funding for housing advice to prevent Homelessness
Coventry Building Society – Mental Health Project	Providing intensive support to people facing housing issues and disclosing a mental health condition.
Coventry City Council – Advice for Families	Working with the local authority's Family Hubs, to provide legal support to vulnerable families in the city
Virgin Health – Anchor Centre	Advice and casework for people that are homeless or insecurely housed
The Legal Education Foundation – Justice First Fellowships	Funding to support training contracts for social welfare lawyers
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	A change programme in partnership with Grapevine to promote early action in two public services in Coventry
The Legal Education Foundation – the RIPPLE Project	A Public Legal Education Programme in the field of community care by working with groups of clients who have similar issues/needs
Kids in Need of Defense	Working with a consortium to establish a pro bono service for children to receive immigration advice
Voluntary Sector Consortium – Coventry Healthwatch	To provide independent advocacy to people with health complaints throughout Coventry
The Baring Foundation – Mother and Child Project	To build capacity in the advocacy sector to tackle issues raised for girls and women leaving care who are pregnant
Coventry City Council – Syrian Families Project	A joint programme of support to assist Syrian refugees to settle in the city
Allen & Overy – Volunteers	A contribution to supporting student pro bono clinics
Smallwood Trust – Improving Financial Security of Women	A partnership with Women's Organisations in Coventry to provide more co-ordinated services for vulnerable women
Barrow Cadbury – Benefits Aware	To deliver training and use social media to build an informed community of advisers and claimants
The Oak Foundation – Legal Advice Project	Support to develop new housing and immigration legal advice services
Coventry City Council – Welfare Benefits Advisor	Additional funding to employ a Welfare Benefits Advisor
Coventry City Council – MiFriendly Cities	To provide legal healthchecks to migrant communities with a focus on undocumented minors
Birmingham City University – contribution to Cloud Migration	A one-off grant in support of moving our IT to the Cloud
The Oak Foundation – Access Your Right to Care	To transform access to justice for people with a learning difficulty
Law Centres Network – EUSS Complex Cases Project	To assist people with complex cases in securing EU settled status
Legal Education Foundation – Maximising IT	To engage a consultant to define our technology and IT needs
Red Cross – Families Together	To support refugees (and their families) applying for family reunion
Postcode Lottery – Families Together	To offer legal advice to victims of modern slavery to enable them to regulate their immigration status
LCN Guardian Appeal	Funding to support Law Centres
Controlling Migration Fund	To enable new arrivals and existing migrant communities to effectively access local services and networks in Birmingham
Funder Plus	COVID-19 response – immediate administrative support for the Law Centre, mitigating lost Legal Aid income, and looking to develop longer-term post-pandemic service.
Access to Justice Foundation – Support for Litigants in Person	Delivery of advice and support to Litigants in Person with employment rights issues, and research seeking to understand the role of early advice in reducing the number of cases being heard in Tribunals
The Baring Foundation – Community Justice	Rights in Peril Project – research project focused on removal of legal rights by introduction of easements in the Coronavirus Act 2020.
Coventry City Council – EUSS Complex Cases Project	Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.
Therium	Support for core costs including hiring a part-time administrator, enabling the Law Centre to pursue overall strategic objectives.
Oak Foundation	Support for core costs of Birmingham service with a focus on expanding law centre capacity to reduce the number of people who are homeless/at risk of homelessness by providing expert legal advice/representation in welfare benefits, debt, housing, community care, immigration and public law.
Asylum, Migration and Integration Fund	Foundations of Integration project. To improve provisions to support Third Country Nationals (TCNs) in accessing information, advice and guidance to further their integration and contributing to the development of an online portal.

17b Movements in funds (continued)

Birmingham City Council – EUSS Project	Deliver practical support to vulnerable or at-risk EU, EEA and Swiss citizens and their family members to help them make their EU Settlement Scheme application.
Law Centres Network – PLP Crisis Hubs	Establishing a partnership between LCN and CELC to increase the availability and accessibility of legal information, specialist social welfare, immigration and public law advice to Birmingham Crisis Skylight centres frontline workers.
COVID	
COVID LCN Community Justice	COVID-19 response – staff, office and administrative costs and expansion of services
Comic Relief – Partner Helpline & Pack	Maintaining COVID-19 response. Producing a weekly legal rights information pack and running a support helpline for frontline staff in other services
COVID – Community Justice Fund	COVID-19 response – immediate administrative support for the Law Centre, mitigating lost Legal Aid income, and looking to develop longer-term post-pandemic service.
The Baring Foundation – Help & Information Pack	Funding staff costs associated with running a helpline and issuing a rights information pack and other materials for partner organisations.
Purposes of contracts	
Coventry University	For supervision of students to run advice clinics alongside staff
University of Warwick	For supervision of students to run advice clinics alongside staff
Birmingham City University	For supervision of students to run advice clinics alongside staff

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	479,890	(2,734)
Depreciation charges	907	1,251
Interest receivable	(528)	(1,281)
Increase in work in progress	96	(95,078)
Decrease/(increase) in debtors	(63,582)	75,485
(Decrease)/increase in creditors	(559,760)	(235,101)
Increase/(Decrease) in pension scheme liability	(329,000)	321,000
Net cash provided by / (used in) operating activities	(471,977)	63,542

19 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,638,542	(471,449)	1,167,093
Total cash and cash equivalents	1,638,542	(471,449)	1,167,093

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £	Equipment 2022 £	2021 £
Less than one year	–	46,716	4,588	4,272
One to five years	–	116,634	9,361	10,989
Over five years	–	–	294	–
	–	163,350	14,243	15,261

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Notes to the financial statements

For the year ended 31 March 2022

22 Pension commitments

Historically employees had access to the Local Government Pension Scheme (LGPS) via the West Midlands Pension Fund. Scheme entry was closed in 2007 for new members and there are now only two active members of the scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the period ended 31 March 2019.

Contributions amounting to £1.662 (2021: £1,587) were payable to the scheme at 31 March 2022 and are included within creditors.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2022 was £20,166, of which employer's contributions totalled £13,120 and employees' contributions totalled £6,996. The agreed contribution rates for future years are 15% for employers and depending on salary 6.5%–8.5% for employees.

Principal Actuarial Assumptions	2022	2021
Discount rate for scheme liabilities	2.70%	2.00%
Rate of increase in salaries	4.20%	3.80%
Rate of increase of pensions	3.20%	2.80%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

<i>Retiring today</i>		
Males	21.2	21.6
Females	23.6	23.9
<i>Retiring in 20 years</i>		
Males	22.9	23.4
Females	25.4	25.8

The charitable company's share of the assets and liabilities in the scheme and the expected rates of return were:

	2022 Expected rate of return	Value 2022 £'000	2021 Expected rate of return	Value 2021 £'000
Equities		1,981		1,640
Government Bonds		650		277
Other Bonds		–		107
Property		207		201
Cash/liquidity		118		166
Other		–		392
Total market value of assets	8.20%	2,956	8.00%	2,783
Present value of scheme liabilities – Funded		(3,444)		(3,600)
Deficit in the scheme		(488)		(817)

To develop the expected long-term rate of return on assets assumption, the employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio. This resulted in the selection of the above assumptions.

The total return on the fund assets for the year to 31 March 2022 is £228,000 [2021: £452,000].

Notes to the financial statements

For the year ended 31 March 2022

22 Pension commitments (continued)

	2022 £'000	2021 £'000
Amounts recognised in the statement of financial activities:		
Service cost	42	31
Net interest on the defined liability (asset)	17	11
Administration expenses	–	2
Total operating charge	<u>59</u>	<u>44</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

	2022 £'000	2021 £'000
Change in benefit obligations		
Benefit obligation brought forward	3,600	2,842
Service cost	42	31
Interest cost	72	66
Change in financial assumptions	(192)	760
Change in demographic assumptions	(19)	(37)
Experience (gain) on defined benefit obligations	8	(36)
Contributions by scheme participants	7	7
Past service costs, including curtailments	–	–
Estimated benefits paid net of transfers in	(74)	(33)
Benefit obligation carried forward	<u>3,444</u>	<u>3,600</u>

	2022 £'000	2021 £'000
Change in plan assets		
Fair value of plan assets brought forward	2,783	2,346
Interest on assets	55	55
Return on assets less interest	172	397
Other actuarial gain	–	–
Administration expenses	–	(2)
Contributions by employer including unfunded	13	13
Contributions by Fund participants	7	7
Estimated benefits paid net of transfers in	(74)	(33)
Fair value of plan assets carried forward	<u>2,956</u>	<u>2,783</u>

The employer expects to contribute £4,166 in the year to 31 March 2023.

Five year history of experience adjustments

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'000
Benefit obligation at year end	3,444	3,600	2,842	2,878	2,822
Fair value of plan assets at end of year	<u>2,956</u>	<u>2,783</u>	<u>2,346</u>	<u>2,369</u>	<u>2,198</u>
Deficit	<u>(488)</u>	<u>(817)</u>	<u>(496)</u>	<u>(509)</u>	<u>(624)</u>

CENTRAL ENGLAND LAW CENTRE LIMITED

England & Wales - Charity number 1087312

Accounts

Company number: 4149673

Charity number: 1087312

Central England Law Centre Limited

Amended report and financial statements

For the year ended 31 March 2021

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Central England Law Centre Limited

Reference and administrative information

For the year ended 31 March 2021

Company number 4149673
Country of incorporation United Kingdom

Charity number 1087312
Country of registration England & Wales

Registered office and operational address Oakwood House
St Patrick's Road Entrance
Coventry
CV1 2HL

Trustees The trustees (also directors under company law) who served during the year and up to the date of this report were as follows:

Professor H Bahra (Chair) (Resigned 26 October 2021)
J Jeffrey
C Christie (Resigned 24 November 2020)
K Wilding (Chair from 30 November 2021)
G Moffatt
Councillor D Welsh
Professor J McHale
C West (Resigned 30 March 2021)
C King
R Kodakandala (Appointed 23 February 2021)
R Alomo (Appointed 23 February 2021)

Key management Personnel S Bent (Chief Executive)
E Hill (Head of Operations and Legal Practice)
L Hart (Director of Finance and IT)
C Stern (Head of Impact and Service Development)

Bankers CAF Bank Limited
25 Kings Hill Avenue
Kings Hill,
West Malling
ME19 4JQ

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON,
EC1Y 0TL

The trustees (also known as directors) present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976. Central England Law Centre continues the work of Coventry Law Centre in line with its own objects, maintaining its operations from the city centre of Coventry, and expanding to provide services in Birmingham.

Directors and trustees

The directors of the Central England Law Centre Ltd are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Professor H Bahra (Chair) (Resigned 26 October 2021)
J Jeffrey
C Christie (Resigned 24 November 2020)
K Wilding (Chair from 30 November 2021)
G Moffatt
Councillor D Welsh
Professor J McHale
C West (Resigned 30 March 2021)
C King
R Kodakandala (Appointed 23 February 2021)
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Objectives and activities

Purposes and aims

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Trustees' annual report

For the year ended 31 March 2021

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's purposes as set out in the objects contained in the company's Memorandum of Association are:

- i) The relief of financial hardship and other forms of distress among the people of Central England and others through the provision of legal and other advisory, representation and information services which they could not otherwise obtain through lack of means;
- ii) The advancement of education of the public by the improvement and diffusion of knowledge of the law and the administration of justice, having regard especially to those areas of the law which are of particular concern to poor people or are directed to the relief of poverty;
- iii) To promote such other charitable purposes as are for the benefit of the people of Central England.

These are summarised in our statement of purpose:

To fight social exclusion in communities and to effect change in society by increasing rights awareness and using legal processes to fight poverty, inequality and discrimination.

We do this by:

- Providing legal expertise across nine different areas of social welfare law – offering services that can address all of the interconnected problems people face in their everyday lives;
- Working to build knowledge of legal rights and the ability to manage day to day issues that have a legal solution within the most vulnerable communities where we work;
- Making our advice and representation services easily accessible to those who are socially excluded and need them most;
- Using our knowledge of the communities we work in to influence local and national policy makers and sometimes being a voice for those who are seldom heard;
- Using our legal practice to change the law by seeking and pursuing public interest cases.

Trustees paid due regard to the guidance issued by the Charities Commission in relation to public benefit in deciding that all activity undertaken by the charity must be in support of strengthening and expanding its capacity to make people aware of their rights, to provide legal advice and representation and to improve its ability to reach the most vulnerable individuals and communities.

The key issues underpinning the strategic aims for 2018–2021 were:

- The impact of the Government's austerity programme has resulted in reductions in public services, along with a continuation of major programmes of welfare reform and changes to social housing provision. This has put pressure on housing, health and care services, thereby increasing demand for our services.
- A growth in structural poverty – both in work and out – that is putting more pressure on those we seek to help.
- An increasingly harsh climate for migrants is seeing a tightening of immigration rules, making things very difficult for some of our clients. A growth in the numbers of people with no recourse to public funds.
- More people working in insecure employment and on zero hours' contracts being open to exploitation.
- Recognition that reduced Legal Aid and public sector funding for some of our work is unlikely to be reversed and so we must continue to find new ways to fund what we do. Stability for our existing services as well as the opportunity to develop and evolve our work to meet identified needs depends on our success in securing funding.

We need to continue to seek savings in overheads by sharing services where appropriate, and by extending our use of IT to ensure that we maximise efficiency and improve data analysis to inform our performance management.

The COVID 19 pandemic coincided with the start of this year. Rather than drawing up a new strategic plan we asked staff to prepare a new operational plan which included the service delivery and strategic challenges COVID created and our response. This was reviewed on a quarterly basis and risks and challenges were identified and assessed each time. This enabled us to ensure that our service delivery was responsive to the vulnerable people we support who are experiencing extreme hardship and distress.

Accordingly, the charity has **seven strategic aims for 2018–2021**:

- Consolidating and strengthening our existing advice and representation services, and evolving and expanding these to meet the changing needs of our local communities;
- Taking opportunities that arise from our regional presence, and sharing skills and knowledge across our two offices;
- Strengthening the financial position of the organisation;
- Developing new services to meet identified gaps in provision;

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- Seeking new ways to fund our services and finding new opportunities to use our expertise, with particular emphasis on prevention, early intervention and building legal capability;
- Maintaining a network of partnerships and relationships with other organisations that help us to reach those we seek to help and whose services complement ours and amplify our impact;
- Maintaining and developing our profile and reputation locally and nationally.

The main activities that we have undertaken in pursuit of these aims during 2020/21 are described below.

Achievements and performance

All our charitable activities focus on strengthening and expanding our capacity to raise rights awareness, to provide legal advice and representation, to influence policy makers, to improve our ability to reach the most vulnerable individuals and communities and are undertaken to further our charitable purposes for the public benefit.

Service delivery

We provide a comprehensive service: encompassing casework, representation, legal education and rights awareness raising, as well as working with partners to influence service delivery.

Coventry

In Coventry, we offer free advice and representation in the following areas of law:

- | | | |
|---------------------------------|--------------------------|--------------------------|
| • Employment and Discrimination | • Family | • Immigration and Asylum |
| • Housing | • Health and Social Care | • Public Law |
| | • Welfare Benefits | |

We primarily advise residents of Coventry and those who work in the city with some reach into Warwickshire. The areas of law covered under Legal Aid contracts are Housing, Community Care, Family, Asylum, Discrimination and Public Law.

We benefit hugely from funding from Coventry City Council and an expanding range of other forms of funding to provide services.

Other funding we have received has supported a programme of work that focuses on particularly vulnerable groups of people.

- We received funding from Coventry Building Society which supports our housing team in its homelessness prevention work and enables us to provide intensive support to people with mental health challenges.

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For the year ended 31 March 2021

- Funding from the Early Action Neighbourhood Fund (a collaboration of funders who have awarded us 5 years funding to catalyse a shift to early action within the public sector) is enabling us to run a project called Ignite. We have 4 staff and our partner in this work, Grapevine, has 3. They are all working inside public services to influence and shape the way these services are delivered for the future.
- Virgin Health provide funding for us to advise people at The Anchor Centre, a medical centre for those who are homeless or insecurely housed.
- The Legal Education Foundation continued to support us with funding to extend our work on a project called RIPPLE, pioneering an approach to improving knowledge of the rights of individuals by working with them in groups.
- The Smallwood Trust refunded us work in partnership with 4 women's organisations in Coventry to improve economic outcomes for women by providing joined up front line support. We employ an immigration adviser to focus on the legal needs of victims of domestic violence and a generalist caseworker to support women with a range of legal needs to access legal advice from across the Law Centre.
- In partnership with the Law Centres' Network, we have received funding to assist people with complex cases in securing EU settled status.
- We are subcontracted by Voluntary Action Coventry to run an Independent Complaints Advocacy Service (ICAS) providing a casework service to support clients in progressing formal complaints regarding health services, including those provided by dentists, GPs, NHS hospitals or care in a private hospital if it was paid for by the NHS, as well as complaints about NHS Continuing Healthcare. Where appropriate, the service also supports clients to complain to the Parliamentary and Health Service Ombudsman.
- Our partnerships with Coventry University and the University of Warwick, who provide funding for supervision of their students to run advice clinics alongside our staff, continues. This year 90 students have assisted in increasing our capacity in employment and immigration advice in Coventry, as well as representing clients in disability benefit appeals and supporting our public law work.

Birmingham

In Birmingham our focus is on upholding the rights of migrants, including tackling destitution and homelessness, and on building new services that are relevant for the local community. In Birmingham, we offer free advice and representation in the following areas of law:

- | | | |
|-----------------------------|--------------------------|--------------------------|
| ● Employment Discrimination | ● Housing | ● Immigration and Asylum |
| ● Welfare Benefits | ● Health and Social Care | ● Public Law |

The Oak Foundation and Therium Access provide core funding for our work in Birmingham, providing a secure base for our other project funded and legal aid contract services.

Our partnership with Birmingham City University, who provide funding for supervision of their students to run advice clinics alongside our staff, continues. This year 60 students have assisted in increasing our capacity in employment, immigration advice, housing advice, as well as representing clients in disability benefit appeals.

- In partnership with Birmingham City Council and two other local migrant charities we benefited from new funding under the Asylum Migration Integration Fund. The focus of this work is to improve referral pathways for support, particularly legal advice, for migrants in the city.
- We also benefitted from continued funding in partnership with Red Cross to provide holistic end-to-end support to refugees (and their families) applying for family reunion.
- Partnerships with local frontline organisations SIFA Fireside, Hodge Hill Hub and ASIRT have enabled us to provide benefits, immigration and community care advice to their most vulnerable clients.
- With support from Law Centres Network and the Public Law Project we are able to provide support to Birmingham CRISIS Skylight support workers to address their clients benefits and immigration issues and identify systemic issues preventing their move on from homelessness.

Regional projects

- Increasingly we are delivering services across both our offices. This year we were supported by the Access to Justice Foundation's Litigants in Person funding stream to enable us to run an employment rights helpline for Coventry and Birmingham residents.
- We continued to receive Urban Action Innovation Funding under MiFriendly Cities, a new Midlands wide partnership project led by Coventry City Council involving 11 partners including three city councils. As a delivery partner our contribution includes raising awareness of undocumented children's rights, as well as building legal capability and stability amongst refugees and migrants being supported by MiFriendly Cities partners.

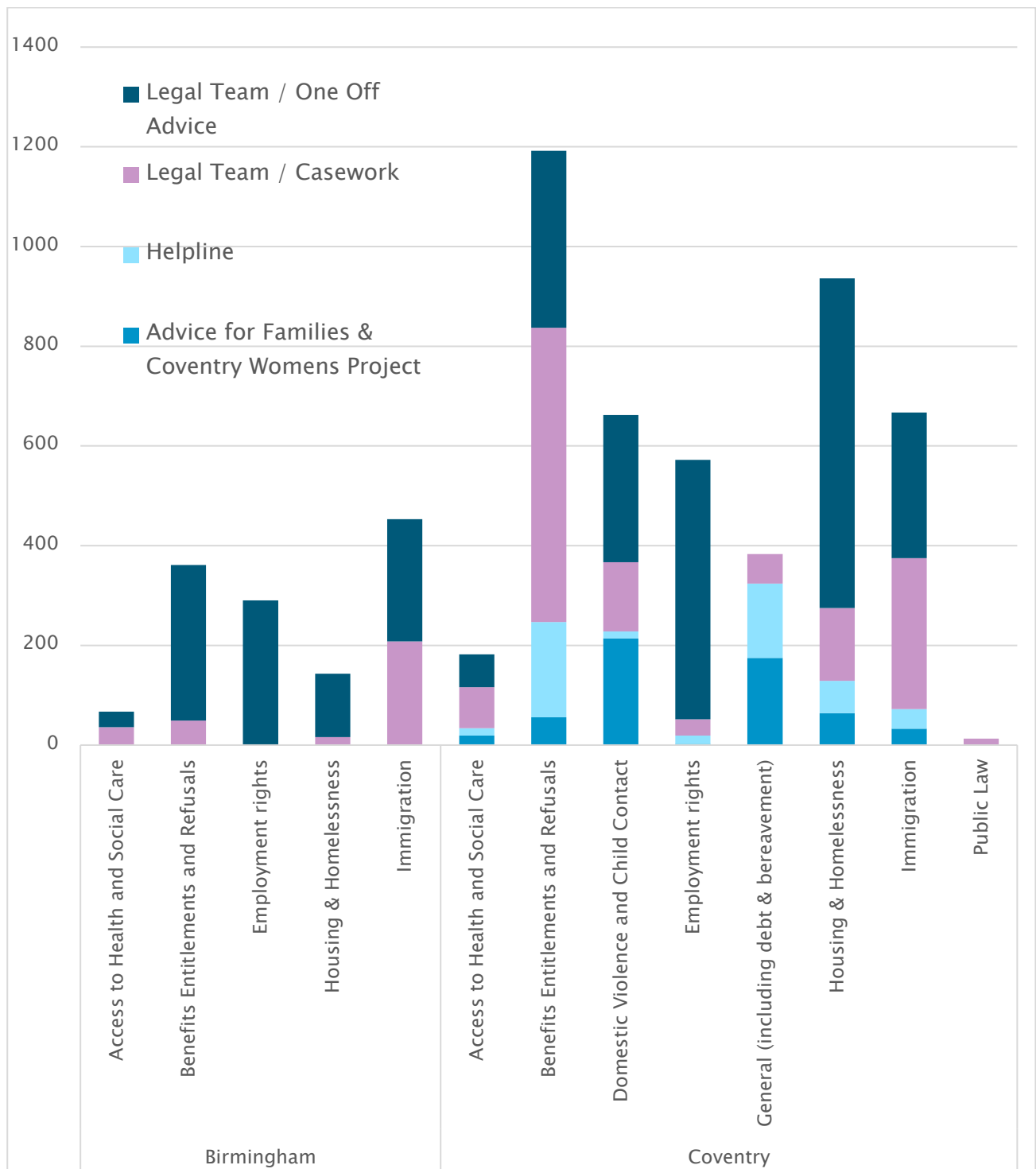
National reach projects

- We are leading a consortium funded by Paul Hamlyn Foundation, Unbound Philanthropy, Barrow Cadbury, Esmée Fairbairn Foundation, Oak Foundation, Trust for London, AB Charitable Trust and Microsoft, which has established a pro bono service for children to receive immigration advice. It is called Kids in Need of Defense UK. It has so far helped around 1,000 children with citizenship or leave to remain applications.
- We have been working in partnership with a new charity, Access Your Right to Social Care, and providing strategic and operational support in their first year.

COVID-19 support from funders

Our existing funders and some new funders were flexible and supportive in their response to COVID-19. We benefitted from funding from The Baring Foundation, Community Justice Fund, Comic Relief, Paul Hamlyn Foundation and the Esmée Fairbairn Foundation to set up a COVID-19 helpline for vulnerable people and organisations supporting them. It also funded a significant increase in our public legal education on the rapidly changing rules and regulation brought in by the government in response to the pandemic.

During 2020/21 we assisted over 6,200 people across our two offices with new law related issues. In Coventry we supplied new casework services to 1,365 clients and provided an advice-only service to a further 3,242 service-users. In Birmingham we supplied casework services to 1,005 clients and provided other services to 684 service-users.

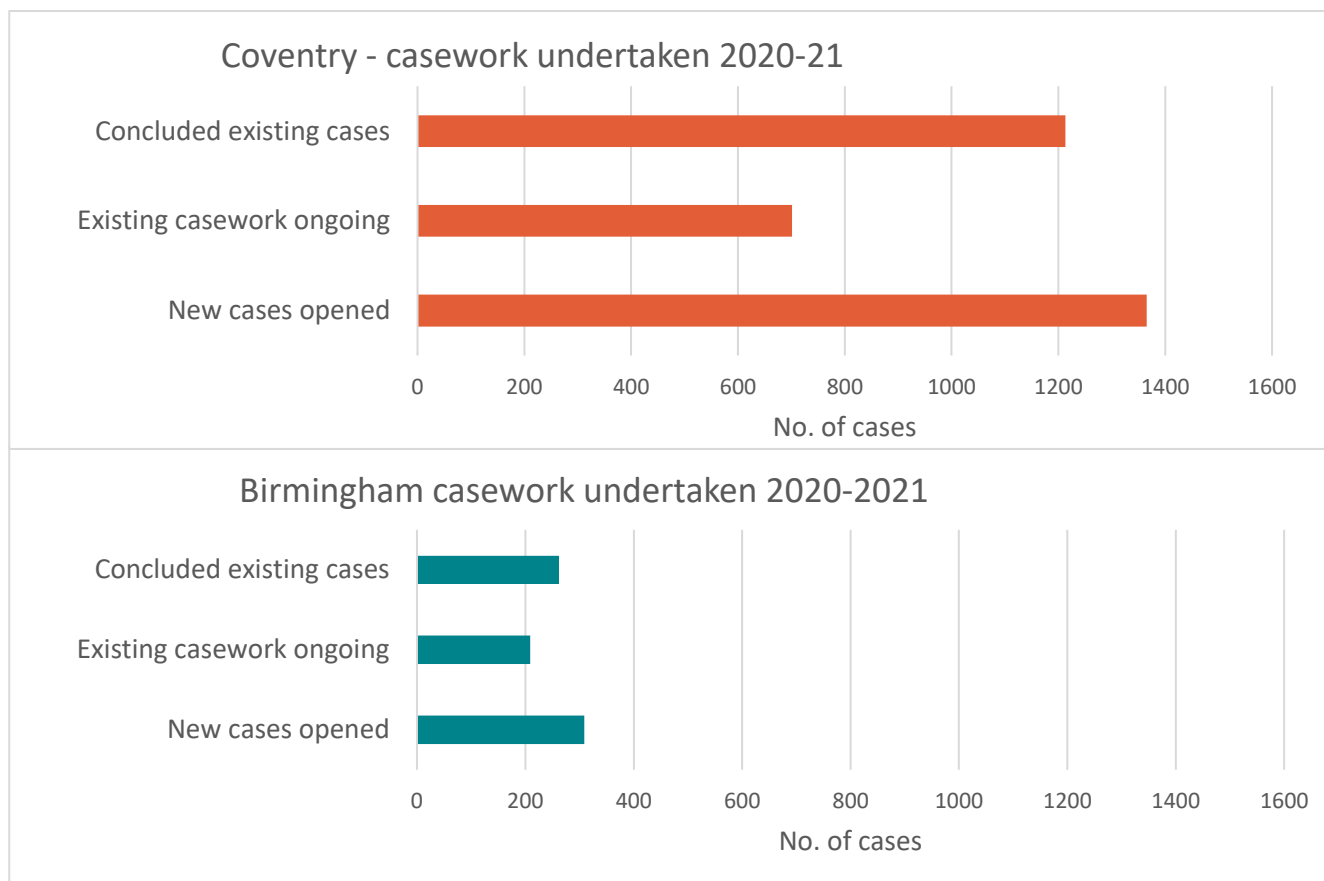


In total we worked on 4,059 legal cases for clients in this year. Many legal cases take a considerable amount of time to resolve, the spread of this casework across new and existing cases is shown below. Overall open caseloads continue to rise year-on-year, reflecting overall capacity growth among CELC legal services teams. The majority of casework (86%) is concluded within two years of opening the case, but some matters may take multiple years to fully resolve. Half of cases will be concluded in around 8 months, 25% of cases will take more than a year.

Key outcomes for clients achieved in 2020-21:

We provided access to justice in over 6,200 cases by providing legal advice and representation about their social justice legal issue.

- We represented 700 people at social security tribunals to challenge refusals of welfare benefits awards. We were successful in 87% of cases. This resulted in an increase in the income of our clients by over £5 million, over a 12-month period.
- 1,200 people were given advice about their housing rights.
- 216 vulnerable migrants had their immigration status resolved and prevented from living in destitution.
- 496 EU migrants were supported to apply for the EUSS settlement scheme.
- Our representation prevented 253 people from being unlawfully evicted from their home.
- 800 people received specialist employment advice including about furlough, unpaid wages, unfair dismissal.



Trustees' annual report

For the year ended 31 March 2021

- We advised 100 victims of domestic violence on their rights to help them make an informed choice about their options.
- We advocated for 88 people with health and social care needs to receive the services and support they were entitled to.
- This year we hosted a senior producer for the Caring Team of Coventry City of Culture and worked together on two social justice projects – Zoom Bird and Reform the Norm. Our CEO represented the “Social Justice” energy in the launch event of the City of Culture.

More information about the impact of our work is available at www.centralenglandlc.org.uk/our-impact

Our operational response to COVID

In common with many organisations, Covid-19 forced us to redesign our operating model. Our staff have worked remotely throughout the pandemic and we've continued to provide individual casework for clients by telephone, e mail, text, WhatsApp and, where possible, video calling. Our legal advisors have continued to represent clients remotely in Court proceedings.

At the beginning of the pandemic, we saw a considerable slow-down in some of our usual legal casework accounted for by several significant changes in referral patterns. For example. there was an 80% reduction in referrals from Citizens Advice, notably for representation at welfare benefits appeals. The duty scheme for housing at the Combined Court was paused until December 2020.

In other areas, we have opened legal casework at the same or increased levels across family law (focussed on domestic violence), employment, housing and health and social care.

As the year has progressed, we have seen all levels of demand for legal casework return to pre pandemic levels and significant increase in the areas of domestic violence, immigration, housing, and employment rights.

In response to the emerging needs, we opened an employment rights helpline, a COVID-19 helpline and employed new staff to support people in financial crisis impacting on their ability to pay their rent and therefore at risk of eviction.

This has resulted in us helping around 1,000 more people with 1:1 legal advice than in any previous year. Alongside this we significantly increased our support for other frontline organisations (including statutory agencies) – including the grassroots community organisations that were delivering food and still having some face-to-face contact with those people who were already marginalised before the pandemic, as well as those newly finding themselves struggling to cope because of the impact of the pandemic.

We produced weekly updates that were circulated to over 1000 frontline staff in Coventry, so they had ready access to real-time information on Covid-related social welfare law changes. Our COVID-19 helpline has responded to over 500 calls in this period: 70% of calls to the helpline were from partners or clients referred by them. We set up a virtual twice weekly clinic as part of our RIPPLE

project. Led by our community care solicitor, this is for staff in organisations supporting people with health and social care needs to raise issues and seek advice on the application of The Coronavirus Act 2020. We produced leaflets that were distributed in food parcels to people shielding and to food bank users.

In Birmingham, through our key role in the destitution steering group and migrant support networks we were able to ensure that people housed under the 'Everyone In' initiative were contacted and offered specialist legal advice to address any immigration and access to welfare issues. Working closely in partnership with the Refugee and Migrant Centre, ASIRT and managers and frontline support workers at the Council, we have brought to the fore the role that rights play in providing sustainable routes out of homelessness and poverty. Over 158 of the most vulnerable people in Birmingham were offered tailored rights support resulting to date in 57 people securing immigration status enabling them to access mainstream benefits and the right to work and move on from homelessness.

In Coventry, our membership of the 'community tactical cell' element of the local authority emergency planning structure opened an opportunity for us to make proposals for coordinated action across agencies as we come out of the pandemic. To this end, we have put together the 'Coventry Standard' – a way of working that builds trust and confidence from the earliest interaction with clients/service users and increases the likelihood of being able to understand and tackle the root causes of problems.

Development of staff

All staff continued to benefit from development and training to meet needs identified through the charity's staff appraisal process.

Volunteers

Volunteers provide invaluable support to our work across both our offices. We had over 150 volunteers supporting work in all of the teams during the year. All of our volunteers this year have been from Universities in the region. Our long-standing volunteers who support the office function have been unable to support us this year due to COVID restrictions in place.

Volunteer solicitors and barristers acting in a Pro Bono capacity from a range of Law Firms, including Allen and Overy, Capsticks, St Phillips Chambers and Mills and Reeves add capacity to our employment advice helpline.

Beneficiaries of our services

We seek to make our services accessible to those who are vulnerable, disadvantaged and socially excluded. The need within the populations we service is high.

Coventry's population estimate for 2019 (last available published information) was 371,500 residents. [Facts about Coventry | Coventry City Council](#) provides the following insights into the needs of the residents of Coventry:

- 14% of residents lived in neighbourhoods in the top 10% most deprived in England.
- 37% of children in Coventry live in poverty, rising to 53% of children in poverty in St Michaels ward.
- 18% of households in Coventry are in fuel poverty, compared with 13.5% nationally.
- 14.4% of children are judged to be living in multiple deprivation.
- 17.7% of the population has a limiting long-term health problem or disability; the premature death rate and infant mortality rates are both higher than the national average and average life expectancy is shorter than the national average by a year for both males and females.
- The numbers of children looked after by the local authority per head of the under 18 population is almost 24% higher than the national average.
- 9.1% of residents have no qualifications.
- 17.3% of households have no working age residents, compared with the national average of 13.3%.
- Average annual income per head is £15,363, compared with an average of £21,609 nationally.

Birmingham's resident population is estimated at 1,140,500 according to the 2020 mid-year population estimates. An estimated 238,313 Birmingham residents were born overseas, of these, 44% (103,682) have been resident in the UK for less than 10 years. 2.4% of the population do not speak English well or at all. This is more than twice the regional and national averages.

Birmingham is ranked the third most deprived core city in the UK, behind Liverpool and Manchester, and is ranked the most deprived in terms of both income and employment deprivation.

- 43% of the population live in LSOAs in the 10% most deprived in England
- 51% of children (under 16s) live in the 10% most deprived areas
- 28% of children live in income deprived households
- 26% of over 60s are income deprived
- The city is also the most deprived authority in the West Midlands Metropolitan area.
- 15% of the population has a long-term health condition or disability that limits their daily activity.

We ensure our services reach those who are most vulnerable by working in partnership with other agencies and community organisations to reach those people living in the most deprived areas of the city and those who are disabled or have physical or mental health problems. We prioritise cases where discrimination is a factor.

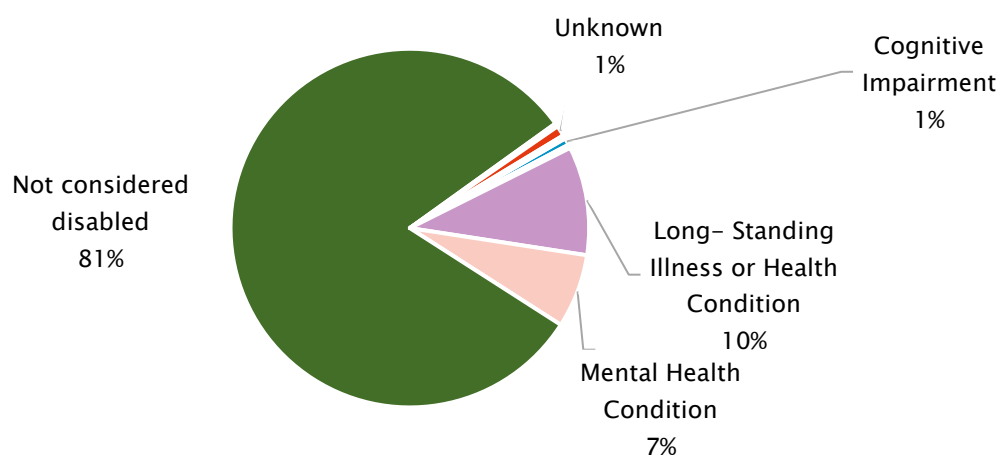
The client group that we seek to assist is being affected by both the impact of major Government reform in social welfare services and by the impact of the significant cuts in public sector spending. They have also been significantly impacted by COVID 19 and will be vulnerable to the impact of an economic recession. Looking forward, we anticipate increasing demand for our services.

We are able to collect demographic information from clients that we provide a full casework service to and some clients that we provide one off advice to (it is often easier to do this in formal settings like at a Housing Duty Scheme at court or an in person drop-in clinic). The data presented here is given in proportional figures only and is based on the actual responses we obtained. It is assumed that where clients have declined to give data, they are not substantially statistically different from those clients who do provide demographic information.

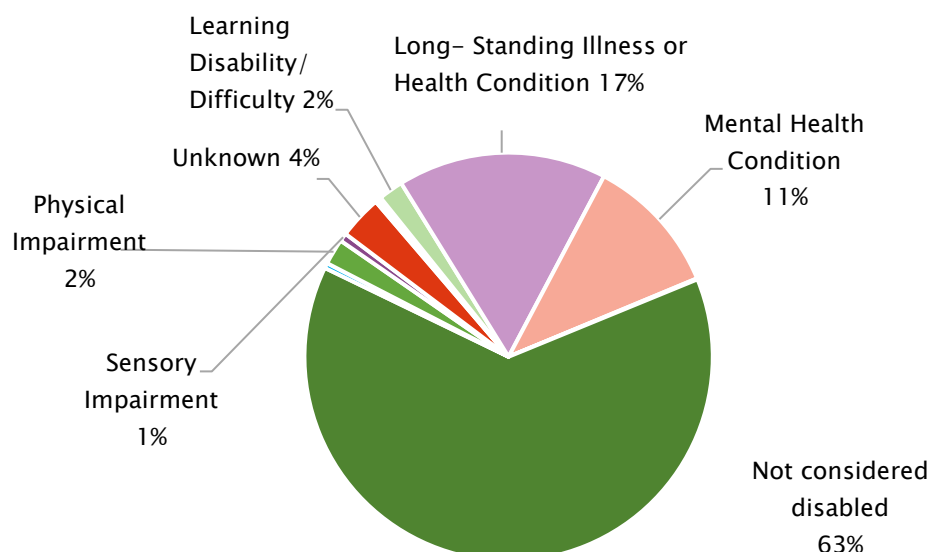
The characteristics of the people we have helped during 2020/2021 are as follows:

Disability:

19% (60) of Birmingham clients declared a disability or serious/long term illness. Of the 60 clients in Birmingham who declared they had a disability; the following pie chart shows the proportion of clients in each category of disability.

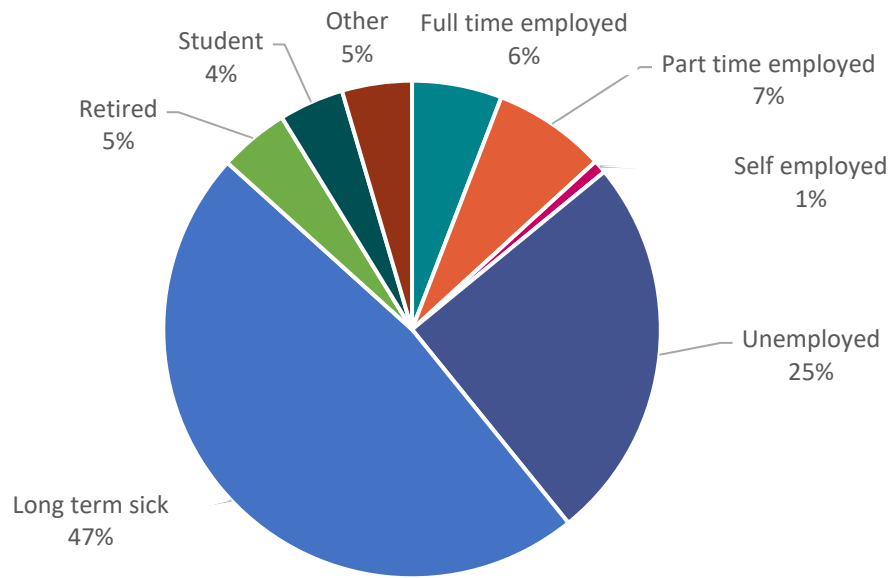


37% (447) of Coventry clients declared a disability or serious/long term illness. Of the 447 clients in Coventry who declared they had a disability, the following pie chart shows the proportion of clients in each category of disability.



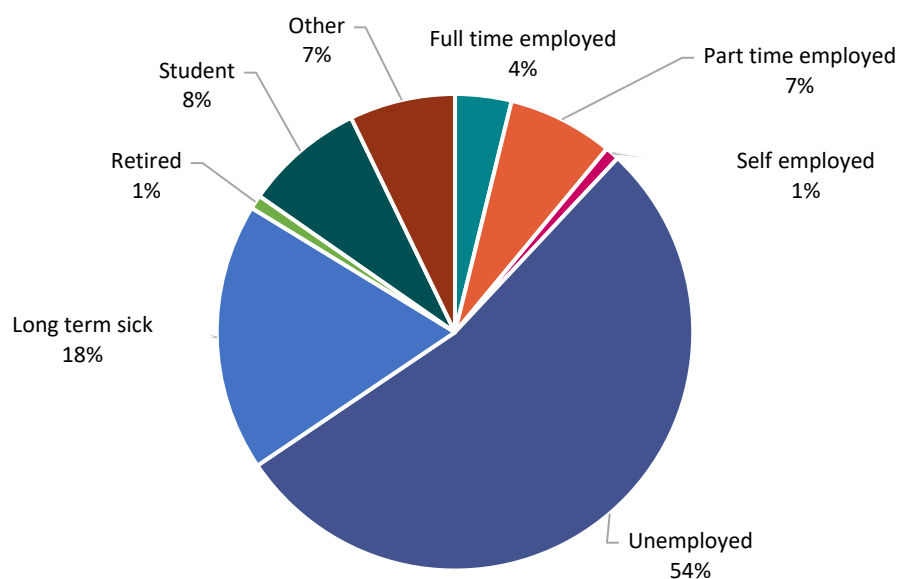
Employment status: Though the age groups most likely to be economically active form the largest proportion of our client base, the majority (72%) of our clients were not working at all (either unemployed or on long term sick leave) and only a small number were in full time employment. The age-employment profile of Birmingham clients skews marginally younger than in Coventry, but

Coventry clients 2020-21



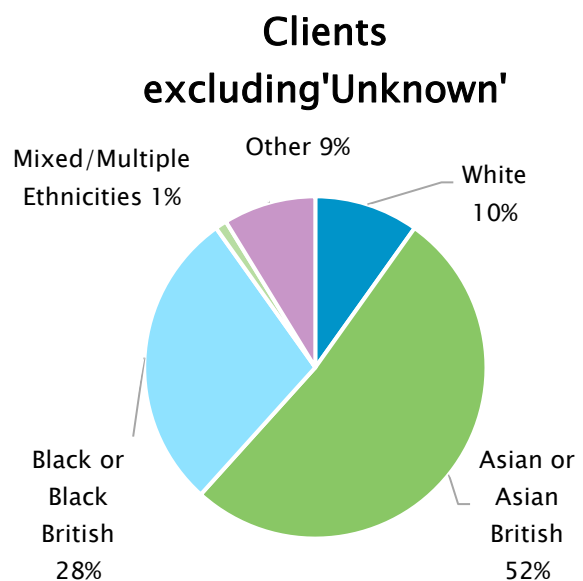
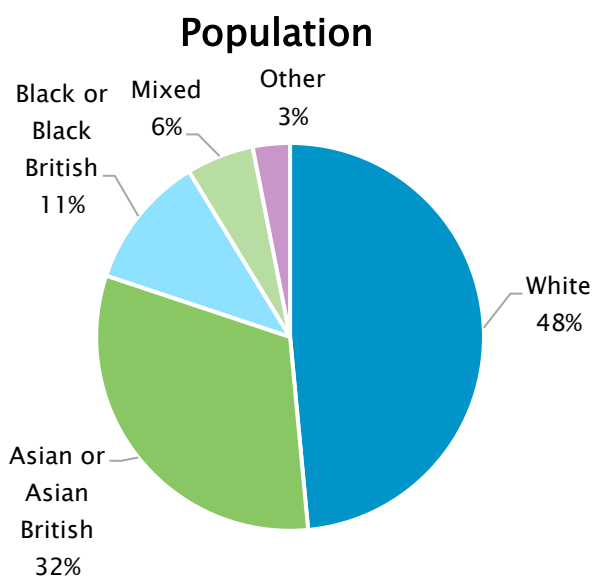
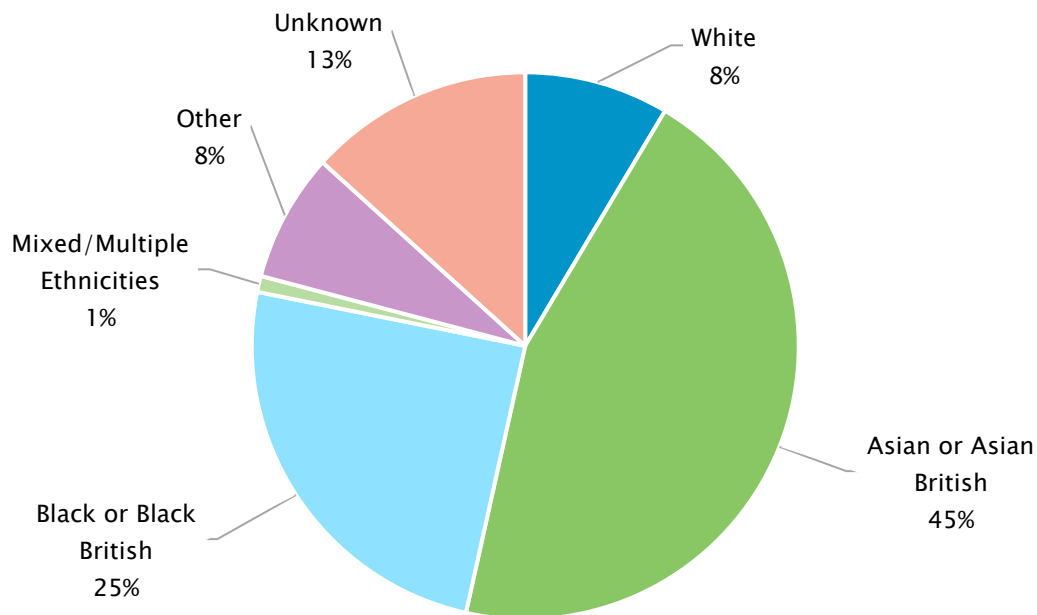
is even more strongly biased (54%) towards the working-age unemployed. This reflects our service offering in Birmingham being more limited, with the Welfare Benefits and Health and Social Care teams in Coventry contributing significantly to the number of long-term sick and older clients we provide services to.

Birmingham clients 2020-2021



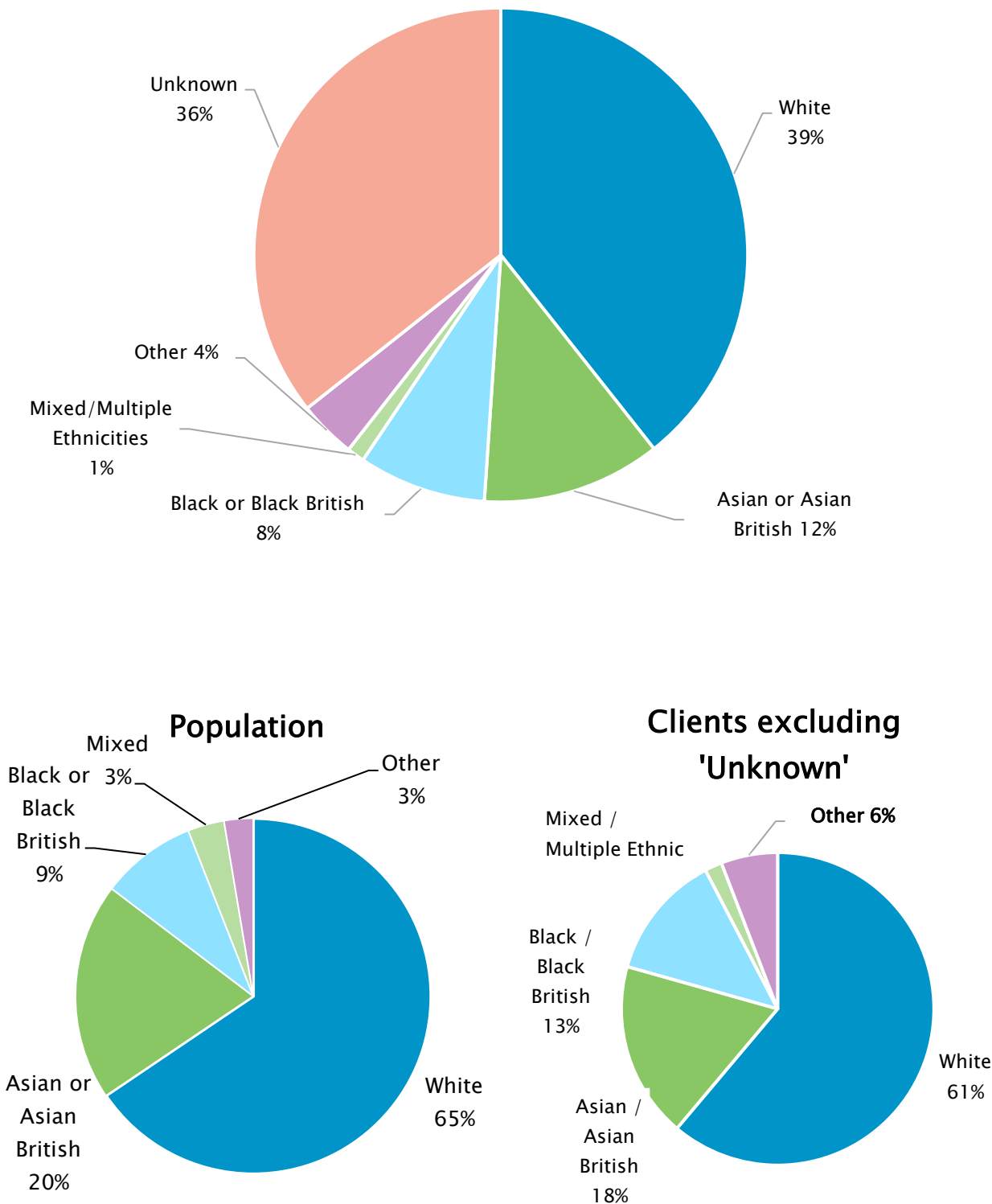
Ethnicity: The ethnicity profile of clients is shown below and represents a significant use of our services by minority ethnic groups. Both Coventry and Birmingham locations see a higher overall proportion of nonwhite service users than in the local population¹.

Birmingham clients 2020–2021



¹ Local population demographics for 2020 estimated using 2001-2011 Census data and 2018 estimates by Coventry City Council and Birmingham City Council, using a linear proportional regression following existing demographic proportion trends.

Coventry clients 2020–21



Financial review

Financial stability

In 2020/21 CELC reported an overall net increase in unrestricted funds of £83,290 (after actuarial losses relating to the West Midlands Pension Fund). General funds as at 31 March 2021 were £936,325, which is within the range trustees have approved in the reserves policy below based on guidance outlined by the Charity Commission.

The COVID-19 pandemic had an immediate impact on our budgeted Legal Aid income in 2020/21, most notably the suspension in evictions on the casework of our housing team. However, our Legal Aid teams responded quickly to the challenge of operating remotely and adapted to continue to support our Legal Aid clients throughout. Legal Aid income in 2020/21 was therefore lower than we originally budgeted but broadly comparable to 2019/20 financial year, which is a significant achievement.

The impact of the pandemic on our budgeted grant funding was fortunately limited as we managed to renegotiate timelines and delivery methods with our funding partners where necessary. We also worked closely with our University partners in adapting our student clinics to align with their COVID safe practices so our work could continue.

Many of our costs increased in response to COVID-19, most notably the expansion of our services to meet the demand for our support. During March 2020, we registered a growth in enquiries from partner organisations due to rapidly changing Government policy in response to COVID-19. We responded in April by establishing a COVID-19 helpline and weekly information pack in addition to our existing services. This work is continuing as part of a wider strategic aim to ensure legal rights are embedded within the communities we operate in. Our non-pay costs also went up compared with 2019/20, mainly to response to the challenges of remote working. Our IT costs expanded significantly and we invested in new equipment including laptop computers and mobile phones to allow staff to work from home. A number of changes were also made to our office space in response to our COVID-19 risk assessment. Some of our costs were offset by savings delivered through operating remotely, for example travel expenses and printing costs, and there will be an ongoing efficiency benefit from having moved to a paper-lite organisation.

We were able to secure a number of new restricted and unrestricted grants from funders to support us during this period, which enabled us to expand our services when they were most needed whilst maintaining financial stability. These grants funded our additional staff and non-pay costs and also the loss in Legal Aid income we had originally budgeted for 2020/21. This support from our funders means we are able to continue our work with partner organisations beyond 2020/21 and have designated £150,000 of our unrestricted funds to continue our Rights in the Community work next year. COVID-19 has had an impact on how quickly we have been able to roll out this work and although some projects have progressed, the work is ongoing, and funds are expected to be exhausted by March 2023.

In 2019/20, the trustees allocated £220,000 to a designated fund to invest in strengthening the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy.

In 2020/21 the trustees designated £600,000 to cover any liability that might arise due to a defined benefit pension crystallisation risk. (See note 17a to the financial statements).

At 31 March 21, CELC had no members of staff on furlough. Four members of staff were placed on furlough for part of the period 1 April 2020 – 1 January 2021. All staff members fully returned to work by 1 January 2021.

Fund raising

The charity received less than £9,587 from donations. Its main funding sources are grants and contracts. The charity does not employ professional fund raisers and does not seek to fund raise from the general public.

Pension fund

The charity is an admitted body member of the West Midlands Pension Fund. This is a multi-employer pension scheme providing benefits based on career averaged re-valued earnings. Details of the pension scheme are included in note 21 of the financial statements and any potential risk attaching is noted in the principal risks and uncertainties below.

Public Benefit

The trustees have considered the Charity Commission's requirement in respect of Public Benefit. In their view the charity meets, in full, the criteria to satisfy the test. The trustees' annual report has described earlier in this report the activities undertaken to further its charitable purposes for the public benefit.

Principal risks and uncertainties

The Board of Trustees routinely reviews the major risks to which the charity is exposed, and a risk register has been established. This is reviewed by the Trustees Board at least twice a year along with a review of performance against the business plan. The Risk Register has been developed in line with Charity Commission guidance and the requirements of LEXCEL, includes an assessment of risk across the areas of Governance, Strategy, Operations, Compliance, Fraud and Dishonesty, Finance, Competence and Conflict and Confidentiality.

Each risk is assessed by impact and likelihood and given an overall risk rating. The actions that are being taken to mitigate, transfer, reduce or avoid the risk are detailed along with the internal resources to support the actions.

The most significant risks to the charity are reduction or loss of funding from the Legal Aid Agency or the charity's main funder, Coventry City Council.

The Legal Aid contract is very closely managed, with significant emphasis on contract compliance and ensuring that income targets are met. These arrangements have been stress tested by all of the changes to working arrangements necessitated by the pandemic and they have proved resilient.

Coventry City Council continue to place a high priority on funding for our service, but a future reduction remains a risk given the continuing pressure on local authority finance. This risk is managed by a strategy of maintaining strong relationships and providing regular updates on the impact of the charity's work.

The charity also has a strategy of bidding for funding from other sources. This has been successful, and the charity has seen an increase in the number of funders that it has, as well as a significant overall increase in its funds. This approach will be underpinned over the next five years by work to refresh the organisational strategy, which is providing a framework to allow bids for unrestricted funding. This approach is starting to secure signs of success: a grant of £500,000 over 5 years from Esme Fairbairn Foundation.

The other key risk to financial stability is the liability currently arising from membership of the West Midlands Pension Fund. Trustees took the decision in May 2007 to close the pension scheme to new members in order to manage this risk and an alternative pension provision has been established. The trustees have taken account of the guidance issued by the Charity Commission on Charity Reserves and Defined Benefit Pension Schemes. This highlights that, in considering the position in relation to the FRS 102 valuation, trustees should take account of the fact that the deficit does not crystallize immediately but must give consideration to the impact on future cash flow forecasts of the impact of increased contributions. In this context, trustees have corresponded with the West Midlands Pension Fund and have built the future planned contribution rates into their cash flow projections. Trustees are satisfied that planned increases can be accommodated and will not therefore impact negatively on future operational plans and budgets. No deficit recovery payments are due to be paid in the period April 2020 – March 2022. In November 2020 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a guarantee document has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council. The guarantee provides protection to the Central England Law Centre in the event of pension crystallisation.

Reserves policy and going concern

The trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission and have developed a risk-based reserves policy. The policy is reviewed annually or more frequently if there is a change to the assessment of risk. The objective of the policy is to strengthen CELC's financial resilience whilst avoiding holding funds unnecessarily. Restricted fund balances at the balance sheet date amount to £502K, these are utilised only in accordance with the funders objectives and are not available for the charity's general use. The trustees have allocated £948K to designated funds (Outlined above) within the free reserves to provide for future expenditure and liabilities to leave a general fund balance £946K before the pension reserve as at 31st March 2021.

Trustees' annual report

For the year ended 31 March 2021

The current general fund reserves range as approved by the Board of Trustees is £0.8m – £1m. The range is based on an assessment of the risks to CELC and the finances required to ensure the charity can carry on its activities after allocation to designated funds in the event of unplanned changes to its financial circumstances. The risk factors that have been taken into account include:

- Reliance on Coventry City Council as a key funder;
- The short-term nature of many current funding agreements;
- Our ability to reduce costs without having an impact on income streams; and
- The level of unrestricted reserves held as work-in-progress (representing Legal Aid casework in process) which are funds that are not readily available.

The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future (being over 12 months from the date of signing this report) and have therefore, used the going concern basis in preparing these financial statements.

This is based on the following assessment:

- The 2020–21 financial statements show CELC general funds of £0.9M, which is towards to top end of the approved reserves range as outlined above.
- The balance sheet shows net assets of £1.6M net of the defined benefit pensions scheme liability.
- In March 2021 the trustees approved the budget for 2021–22 showing a deficit of £91K for the year. The deficit is covered by the release of previously designated funds against the defined projects.
- The three-year development plan approved by trustees, including risk-based scenario planning such as cuts in grant funding and an increase in pension deficit does not forecast a significant change in the general funds over that time.
- The cashflow forecast indicates a balance of £1.5M at November 2022.
- The defined benefit pension scheme liability with The West Midlands Pension Fund and any further debt on crystallisation risk is protected by a guarantee agreed with Coventry City Council subject to the conditions outlined in note 17a to the financial statements, designated funds.

Investment policy

The trustees are empowered by the Articles of Association to invest the charity's money as they see fit and make their decisions with reference to the Charity Commission's guidance. The current investment policy is for funds to be held on deposit with the charity's bankers at the best available rate of interest or in pooled deposit funds.

Plans for the future

We are currently working through a transition period of implementing a series of internal change programmes following a range of assessments that were undertaken in 2019/20. These are all aimed at strengthening our organisational infrastructure and management capacity, while also improving our efficiency. COVID-19 has created some new challenges and we have rapidly adapted our services

to this new context and continue to do so as new need emerges. Building on this, we will launch a new 5-year strategy from April 2022.

During 2021/22, in support of our strategic aims to evolve and expand our existing services to meet the changing needs of the population and to meet identified gaps in provision, we will continue, where possible, to expand and develop our services. We will do this by

- Ensuring successful delivery of the Legal Aid Agency contracts that we hold. We expect to build our capacity and reputation as one of the leading organisations in public interest litigation.
- Working with partners in Birmingham to increase access to specialist advice for destitute migrants in crisis and to prevent people facing crisis with a longer term aim of more funding in the city for free high quality specialist advice.
- Building on the learning from our successful RIPPLE and MAC projects and our COVID-19 response work with partners we are setting out a plan to redirect our legal expertise so more of our work is preventative and builds legal capability and confidence in people to engage with the law and to know their rights.
- Continuing our work through the Ignite Programme to influence the public sector to shift resource to acting earlier. In this final year of extended funding from the Early Action Neighbourhood Fund we will continue to work with partners to mitigate the impact of poverty.
- Through our expanded employment advice project in collaboration with the Access to Justice Foundation and the Ministry of Justice Legal Services Litigants in Person Project we will gather evidence of the impact of early advice and representation on the outcomes of people employment rights issues in order to inform future service delivery.
- Developing our advice and information service to victims of domestic violence and building links through our participation in the Coventry Women's Partnership and with Birmingham and Solihull Women's Aid.
- Seeking new funding to ensure the continuation of our advice services – and particularly focusing on reaching the most vulnerable clients directly. Our focus continues to be securing unrestricted funding to contribute to our core costs to build the operational strength of the organisation.
- Working closely with existing and potential partners to ensure that our services are delivered in a way that responds to the needs of those who are most vulnerable and socially excluded. This will include developing new ways of delivering services in multi-disciplinary teams to better target those who most need our help.
- Growing our partnerships with local universities in both Coventry and Birmingham to maximise the volunteer capacity that students can provide.

- Working in partnership with 4 other not-for-profits and KIND in the US to continue to develop a new national pro-bono service, Kids in Need of Defense UK, to provide representation to children in immigration cases.

We will analyse data on our client base and the need for advice services, as well as seeking and analysing feedback on our services to ensure that we deliver services that are flexible and dynamic and that can evolve to meet changing needs.

Structure, governance and management

Central England Law Centre Ltd was registered with the Charity Commission and at Companies House in May 2015. It was formed following a special resolution passed in March 2015 to change the name and memorandum and articles of association of Coventry Law Centre Ltd, which was formed on 29 January 2001, acquiring the assets of Coventry Legal & Income Rights Trust which had been operating since 1976.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The directors of the company are also known as trustees for the purposes of charity law. All trustees give their time voluntarily and received no benefits from the Charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Organisational structure

Central England Law Centre Ltd has a Board of up to 10 trustees who meet regularly and who are responsible for the strategic direction and policies of the charity. Sue Bent, the Company Secretary and Chief Executive, attends all meetings of the Board but is not a member of it.

Responsibility for the provision of services and for the delivery of the business plan is delegated to the Chief Executive. The charity operations are guided by policies which are approved by the trustees and which provide a framework for the day to day running of all aspects of the organisation.

Responsibility for professional conduct and for meeting Solicitors Regulation Authority requirements is delegated to the Senior Solicitor, Elayne Hill.

The charity employs 67 staff, of whom 45 are engaged in the direct provision of services.

The Law Centre holds the Specialist Quality Mark in each of the areas of law in which it offers advice and representation. This provides a structure for the delivery of advice and representation and sets standards for training of staff and for supervision of these services, which is delegated to each of the team supervisors.

Appointment of trustees

The Articles of Association state that one third of the trustees should retire by rotation. Keith Wilding and Chris King will retire and being eligible, will stand for re-election.

The nature of the work of the charity means it is important to maintain a skill mix amongst the trustees which includes knowledge and understanding of legal advice and representation, as well as an understanding of the issues relating to social exclusion and the specific social welfare needs of the population in the area in which the charity operates.

The charity has been successful in attracting several people with experience in legal advice and representation, as well as representatives from the local authority and trustees with experience of equality issues. Business and finance skills are also well represented within the trustee body, with trustees experienced in running their own businesses.

Potential new trustees are given a 'job description' and person specification for the role and are invited to submit an application and to attend an interview with the Chair, and the Chief Executive.

Trustee induction and training

New trustees attend the Centre for a brief introduction to the work of the charity. They are provided with an information pack which covers:

- Their obligations as trustees;
- Memorandum and Articles of Association;
- Previous year's annual report and accounts; and
- Current year's business plan.

Training sessions continue to focus on the work undertaken by the organisation, allowing trustees to have more contact with staff and to gain an insight into the issues they face. In addition, where necessary, training takes place as part of the monthly meetings to ensure that issues being discussed are fully understood by trustees.

The Board undertakes an annual self-evaluation of its effectiveness. This enables identification of any skill gaps, and of the training needs of the Board. From this, an annual training plan is drawn up. In addition, the effectiveness of working arrangements and information reporting is reviewed, and changes made where necessary.

Related parties and relationships with other organisations

Central England Law Centre is a member of the Law Centres' Network. This is the national body which sets the framework for the operation of Law Centres, and membership is obligatory for any organisation which wants to operate as a Law Centre. The Law Centre's Senior Solicitor and Head of Legal Practice and Operations, Elayne Hill, has been elected to serve on the Executive Committee of the Law Centres' Network.

The Chief Executive of the Law Centre is the chair of Advice Services Coventry. This is a group of voluntary and statutory organisations who all deliver advice services in the city. The group has developed a strategic approach to the delivery of advice services in Coventry. Membership of the group offers an opportunity to improve links and working arrangements with other agencies, which, in turn, improves services for clients.

Central England Law Centre is a member of the Gateway to Birmingham Advice Services. This is a group of voluntary organisations who all deliver advice services in Birmingham. It provides arrangements for members to refer clients within the partnership and to share training and publicity.

The Law Centre works in partnership with other organisations where this assists in achieving our goal of reaching clients who most need our services and who may be hard to reach, and where the partner organisation offers complementary services that improve the overall effectiveness of our specialist legal advice. For example, we are working with Grapevine Coventry and Warwickshire on Ignite, a programme funded by the Early Action Neighbourhood Fund. We are also working with KIND Inc., a US based organisation, Islington Law Centre, Just Right Scotland, Coram Children's Legal Centre and Greater Manchester Immigration Aid Unit in a collaboration called Kids in Need of Defense UK. This is a national pro bono initiative to provide immigration advice to children.

We also work with local universities to provide volunteering opportunities for students and to extend our capacity to provide free advice. The Universities involved are Coventry, Warwick and Birmingham City University.

Remuneration policy for key management personnel

The remuneration policy for all personnel with the exception of the Chief Executive is determined by a salary scale which is reviewed for potential cost of living increases annually by trustees. Trustees may review the scale itself from time to time, and in doing so would take account of market rates in comparable organisations. Trustees approve all salaries individually when they set the budget at the start of the year.

The salary for the Chief Executive was assessed by reference to market rates in comparable organisations when the post holder was appointed. It has been reviewed for inflation in line with other salaries in the organisation.

Funds held as custodian trustee on behalf of others

Central England Law Centre does not perform this function.

Statement of responsibilities of the trustees

The trustees (who are also directors of Central England Law Centre Limited for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements

Trustees' annual report

For the year ended 31 March 2021

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 which 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 9 (2020: 7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 30 November 2021 and signed on their behalf by

Keith Wilding
Chair

Independent auditor's report

To the members of

Central England Law Centre Limited

Opinion

We have audited the financial statements of Central England Law Centre (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Central England Law Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

Central England Law Centre Limited

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

Central England Law Centre Limited

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

16 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

				2021		Restated	Restated
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations	2	8,987	600	9,587	6,774	600	7,374
Charitable activities							
Legal and other advisory services	3	902,802	2,825,378	3,728,180	749,634	2,429,023	3,178,657
Investments		1,281	–	1,281	1,588	–	1,588
Other		17,481	–	17,481	3,450	–	3,450
Total income		930,551	2,825,978	3,756,529	761,446	2,429,623	3,191,069
Expenditure on:							
Charitable activities	4						
Legal and other advisory services		475,030	2,994,233	3,469,263	525,398	1,934,412	2,459,810
Total expenditure		475,030	2,994,233	3,469,263	525,398	1,934,412	2,459,810
Net income for the year	6	455,521	(168,255)	287,266	236,048	495,211	731,259
Transfers between funds		(72,231)	72,231	–	(6,763)	6,763	–
Net income / (expenditure) before other recognised gains		383,290	(96,024)	287,266	229,285	501,974	731,259
Actuarial gains on defined benefit pension schemes	22	(290,000)	–	(290,000)	54,000	–	54,000
Net movement in funds		93,290	(96,024)	(2,734)	283,285	501,974	785,259
Reconciliation of funds:							
Total funds brought forward		984,013	598,071	1,582,084	700,728	96,097	796,825
Total funds carried forward		1,077,303	502,047	1,579,350	984,013	598,071	1,582,084

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 04149673

As at 31 March 2021

	Note	£	2021 £	Restated £	Restated 2020 £
Fixed assets:					
Tangible assets	11		907		2,158
Current assets:					
Work in progress	12	887,396		792,318	
Debtors	13	1,253,014		1,328,499	
Cash at bank and in hand		1,638,542		1,573,719	
		<u>3,778,952</u>		<u>3,694,536</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	(1,383,509)		(1,618,610)	
Net current assets			<u>2,395,443</u>		<u>2,075,926</u>
Total assets less current liabilities			<u>2,396,350</u>		<u>2,078,084</u>
Defined benefit pension scheme liability	22		(817,000)		(496,000)
Total net assets			<u><u>1,579,350</u></u>		<u><u>1,582,084</u></u>
The funds of the charity:	17a				
Restricted income funds			502,047		598,071
Unrestricted income funds:					
Designated funds		947,978		220,000	
General funds		946,325		1,260,013	
Pension reserve		(817,000)		(496,000)	
Total unrestricted funds			<u>1,077,303</u>		<u>984,013</u>
Total charity funds			<u><u>1,579,350</u></u>		<u><u>1,582,084</u></u>

Approved by the trustees on 30 November 2021 and signed on their behalf by

K Wilding
Trustee

Central England Law Centre Limited

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities	18				
Net cash provided by / (used in) operating activities		(348,361)		692,003	
Cash flows from investing activities:					
Interest received		1,281		1,588	
Purchase of fixed assets		–		–	
Net cash provided by / (used in) investing activities		1,281		1,588	
Change in cash and cash equivalents in the year		(347,080)		693,591	
Cash and cash equivalents at the beginning of the year		1,573,719		880,128	
Cash and cash equivalents at the end of the year	19	1,226,639		1,573,719	

1 Accounting policies

a) Statutory information

Central England Law Centre Limited is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address and principal place of business is Oakwood House, St Patrick's Road Entrance, Coventry, CV1 2HL.

b) Basis of preparation

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Critical estimates and judgements

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

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the relevant note to the accounts, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 March 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In December 2019 Coventry City Council agreed to provide a pension guarantee to the Central England Law Centre and subsequently a guarantee document has been agreed between the Law Centre, the West Midlands Pension Fund and Coventry City Council.

f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Amounts receivable under contracts for legal services are scheduled on an accruals basis. Income reflects the fair value of services provided on each assignment, including expenses and disbursements.

Income received in excess of time recorded (inter partes costs) is recognised when the amounts have been agreed by third parties.

Unbilled income is shown as work in progress and is valued on an hourly rate as determined by the Legal Aid Agency. Unbilled disbursements expended are shown as debtors.

Other income is included when receivable.

g) 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.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing legal and other advisory services
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|---------|
| ● Computer equipment | 3 years |
| ● Office equipment | 5 years |
| ● Property improvements | 5 years |

m) Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Client accounts

As part of working practices the charity holds third party funds in separate designated bank accounts. These funds are not assets of the charity and are not accounted for in these financial statements.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

q) 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.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

r) Pensions

Retirement benefits to employees of the charity are provided by Scottish Widows (a defined contribution scheme) and the Local Government Pension Scheme (West Midlands Pension Fund). The Local Government Pension Scheme is a funded defined benefit scheme and the assets are held separately from those of the charity. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses. The Trustees note that the calculated notional deficit or surplus calculated under FRS 102 can vary greatly from year to year depending on the assumptions made at the valuation date.

2 Income from donations

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	8,987	600	9,587	6,774	600	7,374
	8,987	600	9,587	6,774	600	7,374

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

Notes to the financial statements

For the year ended 31 March 2021

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restated Restricted £	Restated 2020 Total £
Coventry City Council – grant	–	439,726	439,726	–	439,726	439,726
Therium	–	25,000	25,000	–	–	–
The Oak Foundation	–	96,000	96,000	–	–	–
Legal Aid Agency	555,062	–	555,062	549,799	–	549,799
Other profit costs	18,500	–	18,500	9,450	–	9,450
Income from liquidators	16,674	–	16,674	–	–	–
Advice Services Coventry	–	–	–	–	126	126
Coventry Building Society – Homelessness Prevention Project	–	15,000	15,000	–	15,000	15,000
Coventry City Council – Advice for Families Anchor Centre	–	87,787	87,787	–	87,787	87,787
	–	9,016	9,016	–	9,016	9,016
The Legal Education Foundation – Justice First Fellowships	–	5,966	5,966	–	–	–
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	–	135,374	135,374	–	290,964	290,964
The Legal Education Foundation – the RIPPLE Project	–	36,525	36,525	–	13,232	13,232
The Legal Education Foundation – Maximising IT	–	–	–	–	8,901	8,901
Kids in Need of Defence	–	543,486	543,486	–	784,019	784,019
Voluntary Sector Consortium – Coventry Healthwatch	–	54,368	54,368	–	43,384	43,384
Coventry City Council – Syrian Families project	–	12,500	12,500	–	75,000	75,000
Allen & Overy – Volunteers	–	10,000	10,000	–	10,000	10,000
Smallwood Trust – Improving Financial Security of Women	–	37,762	37,762	–	31,060	31,060
Coventry City Council – MiFriendly Cities	–	24,851	24,851	–	39,538	39,538
Coventry City Council – Welfare Benefits Advisor	–	–	–	–	2,774	2,774
Access Your Right To Care	–	603,634	603,634	–	176,206	176,206
Law Centres Network – EUSS Complex Cases Project	–	36,299	36,299	–	56,943	56,943
Law Centres Network – Guardian Appeal	–	–	–	–	9,200	9,200
Coventry University	85,966	–	85,966	84,960	–	84,960
University of Warwick	62,870	–	62,870	39,000	–	39,000
Barrow Cadbury – Benefits Aware	–	300	300	–	46,919	46,919
The Oak Foundation – Legal Advice Project	–	–	–	–	139,711	139,711
Controlling Migration Fund	–	138,425	138,425	–	105,802	105,802
Red Cross – Families Together	–	19,638	19,638	–	23,715	23,715
Post Code Lottery	–	–	–	–	20,000	20,000
Birmingham City University	103,730	–	103,730	66,425	–	66,425
Funder Plus	–	8,400	8,400	–	–	–
Coventry Building Society – Mental Health	–	25,000	25,000	–	–	–
Coventry City Council – EUSS Complex Cases Project	–	34,715	34,715	–	–	–
Access to Justice Foundation – Support for Litigants in Person	–	48,396	48,396	–	–	–
The Baring Foundation – Community Justice AMIF	–	62,508	62,508	–	–	–
Birmingham City Council – EUSS Project	–	35,053	35,053	–	–	–
Law Centres Network – PLP Crisis Hubs	–	5,000	5,000	–	–	–
Esmee Fairbairn Foundation – COVID	40,000	–	40,000	–	–	–
Paul Hamlyn Foundation – COVID-19 Grant	20,000	–	20,000	–	–	–
COVID LCN Community Justice	–	15,000	15,000	–	–	–
Comic Relief – COVID-19 Recovery Funding	–	40,000	40,000	–	–	–
Access to Justice Foundation – Community Justice Fund	–	219,649	219,649	–	–	–
	–	–	–	–	–	–
Total income from charitable activities	902,802	2,825,378	3,728,180	749,634	2,429,023	3,178,657

4a Analysis of expenditure (current year)

	Charitable activities £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 7)	1,457,140	–	516,388	1,973,528	1,737,999
Insurance	16,058	199	–	16,257	13,849
Publications	5,034	–	–	5,034	2,079
Subscriptions	15,300	–	–	15,300	12,740
Courses	8,707	–	–	8,707	20,115
Disbursements	6,025	–	–	6,025	5,851
Communications	–	–	16,572	16,572	10,225
Premises costs	–	–	93,881	93,881	86,646
Other costs	–	–	122,574	122,574	50,629
Depreciation and sundry equipment	–	–	47,009	47,009	75,454
Printing, postage and stationery	–	–	15,594	15,594	27,146
Advertising	–	–	–	–	3,585
Travel	–	–	723	723	7,945
Bank charges	–	–	437	437	365
Grant funded activities	1,136,809	–	–	1,136,809	392,069
Client payments	–	–	–	–	–
Audit and accountancy	–	10,813	–	10,813	13,113
	2,645,073	11,012	813,178	3,469,263	2,459,810
Support costs	813,178	–	(813,178)	–	–
Governance costs	11,012	(11,012)	–	–	–
Total expenditure 2021	3,469,263	–	–	3,469,263	2,459,810
Total expenditure 2020	2,459,810	–	–	2,459,810	

Grant funded activities is expenditure specific to projects. This includes £1,024,492 (2020: £297,158) we have received from funders to pay to partner organisations for work done on projects.

4a Analysis of expenditure (prior year)

	Charitable activities £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 7)	1,287,226	–	450,773	1,737,999
Insurance	13,374	475	–	13,849
Publications	2,079	–	–	2,079
Subscriptions	12,740	–	–	12,740
Courses	20,115	–	–	20,115
Disbursements	5,851	–	–	5,851
Communications	–	–	10,225	10,225
Premises costs	–	–	86,646	86,646
Other costs	–	–	50,629	50,629
Depreciation and sundry equipment	–	–	75,454	75,454
Printing, postage and stationery	–	–	27,146	27,146
Advertising	–	–	3,585	3,585
Travel	–	–	7,945	7,945
Bank charges	–	–	365	365
Grant funded activities	392,069	–	–	392,069
Client payments	–	–	–	–
Audit and accountancy	–	13,113	–	13,113
	<u>1,733,454</u>	<u>13,588</u>	<u>712,768</u>	<u>2,459,810</u>
Support costs	712,768	–	(712,768)	–
Governance costs	<u>13,588</u>	<u>(13,588)</u>	<u>–</u>	<u>–</u>
Total expenditure 2020	<u>2,459,810</u>	<u>–</u>	<u>–</u>	<u>2,459,810</u>

Grant funded activities is expenditure specific to projects. This includes £297,158 (2019: £326,664) we have received from funders to pay to partner organisations for work done on

Notes to the financial statements

For the year ended 31 March 2021

5a Grant making (current year)

	Grants £	2021 £
Project		
Ignite Project	96,628	96,628
Kids In Need of Defense	242,227	242,227
Access Your Right to Care	661,539	661,539
Support for Litigants in Person	24,098	24,098
At the end of the year	1,024,492	1,024,492

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2021 £
Payments were made to organisations for activities as below:	
Grapevine Coventry & Warwickshire Ltd	96,628
Islington Law Centre	139,742
Coram Children's Legal Centre	74,198
JustRight Scotland	28,287
Access Your Right to Care	661,539
Derbyshire Law Centre	24,098
At the end of the year	1,024,492

5b Grant making (prior year)

	Grants £	2020 £
Project		
Kids In Need of Defense	215,106	215,106
Access Your Right to Care	82,052	82,052
At the end of the year	297,158	297,158

The Law Centre has worked with partners during the year to deliver the projects shown above.

	2020 £
Payments were made to organisations for activities as below:	
Islington Law Centre	113,742
Coram Children's Legal Centre	96,665
Greater Manchester Immigration Aid Unit	4,699
Access Your Right to Care	82,052
At the end of the year	297,158

6 Net income for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	1,251	1,892
Professional Indemnity Insurance	6,496	6,496
Operating lease rentals:		
Property	58,104	55,404
Other	4,586	4,586
Auditor's remuneration (excluding VAT):		
Audit	11,000	10,800

Notes to the financial statements

For the year ended 31 March 2021

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,714,672	1,502,151
Redundancy and termination costs	8,162	2,500
Social security costs	158,972	132,097
Employer's contribution to defined contribution pension schemes	40,993	36,978
Operating costs of defined benefit pension schemes	44,300	62,595
Recruitment costs	7,328	1,678
	1,974,427	1,737,999

The redundancy and termination costs were settled and £7,263 was paid in April 2021.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	1	–

No employees earned more than £60,000 in the year in 2020.

Key management personnel include the Trustees, the Chief Executive, the Head of Operations and Legal Practice, the Head of Finance and IT and the Head of Impact and Service Development. The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £196,015 (2020: £135,161).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

No trustee received any remuneration in either year. No trustee expenses were paid for by the charity in the year (2020: £120 for one trustee).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 67 (2020: 63).

Staff are split across the activities of the charitable company as follows :

	2021 No.	2020 No.
Support staff	22	17
Legal and advisory staff	45	46
	67	63

Notes to the financial statements

For the year ended 31 March 2021

9 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Aggregate donations from related parties were £nil (2020: £nil).

Councillor David Welsh is a member of Coventry City Council.

As Cllr Welsh does not have significant control over decisions regarding funding for the Law Centre made by Coventry City Council, the Trustees have not included any details of funding under related parties.

The company secretary and chief executive, S Bent is also a director of Voluntary Sector Consortium.

During the year, the charity received income of £54,368 (2020: £43,384) from Voluntary Sector Consortium. At 31 March 2021 a balance of £9,976 (2020: £nil) was due from Voluntary Sector Consortium.

10 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Property improvements £	Computer equipment £	Office equipment £	Total £
Cost				
At the start of the year	66,902	69,568	23,724	160,194
At the end of the year	66,902	69,568	23,724	160,194
Depreciation				
At the start of the year	65,722	68,600	23,714	158,036
Charge for the year	480	761	10	1,251
At the end of the year	66,202	69,361	23,724	159,287
Net book value				
At the end of the year	700	207	–	907
At the start of the year	1,180	968	10	2,158

All of the above assets are used for charitable purposes.

12 Work in progress

	2021 £	2020 £
Legal work performed but unbilled at year end	887,396	792,318
	887,396	792,318

13 Debtors

	2021 £	2020 £
Other debtors including disbursements	901,989	1,215,264
VAT	–	16,331
Prepayments and accrued income	351,025	96,904
	1,253,014	1,328,499

Notes to the financial statements

For the year ended 31 March 2021

14 Creditors: amounts falling due within one year

	2021 £	Restated 2020 £
Trade creditors	441,352	529,512
Taxation and social security	44,388	33,157
VAT	10,835	–
Other creditors	240	67,369
Pension creditor	11,409	17,175
Accruals	145,376	126,702
Deferred income	729,909	844,695
	1,383,509	1,618,610

15 Deferred income

Deferred income represents grants received relating to future periods or where the performance related conditions have not yet been met by the charity.

	2021 £	Restated 2020 £
Balance at the beginning of the year	844,695	599,675
Receipts in advance	1,937,068	2,779,931
Released to income in the year	(2,051,854)	(2,534,911)
Balance at the end of the year	729,909	844,695

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	907	–	–	907
Current assets	1,598,282	956,528	1,224,142	3,778,952
Current liabilities	(652,864)	(8,550)	(722,095)	(1,383,509)
Defined benefit pension liability	(817,000)	–	–	(817,000)
Net assets at 31 March 2021	129,325	947,978	502,047	1,579,350

16b Analysis of net assets between funds (prior year) (restated)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	2,158	–	–	2,158
Current assets	1,648,663	220,000	1,825,873	3,694,536
Current liabilities	(390,808)	–	(1,227,802)	(1,618,610)
Defined benefit pension liability	(496,000)	–	–	(496,000)
Net assets at 31 March 2020	764,013	220,000	598,071	1,582,084

Notes to the financial statements

For the year ended 31 March 2021

17a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
Subscription fund	–	600	(600)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry Building Society – Mental Health	–	25,000	(25,000)	–	–
Voluntary Sector Consortium – Coventry Healthwatch	–	54,368	(52,702)	–	1,666
Coventry City Council – Advice for Families	–	87,787	(87,787)	–	–
Virgin Health – Anchor Centre	–	9,016	(9,016)	–	–
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	39,884	135,374	(175,258)	–	–
Kids in Need of Defense	411,903	543,486	(454,783)	–	500,606
Coventry City Council – Syrian Families project	–	12,500	(12,500)	–	–
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	37,762	(37,762)	–	–
Coventry City Council – MiFriendly Cities	24,374	24,851	(61,532)	12,307	–
The Legal Education Foundation – the RIPPLE Project roll out phase	50	36,525	(36,575)	–	–
Law Centres Network – EUSS Complex Cases Project	–	36,299	(36,299)	–	–
Coventry City Council – EUSS Complex Cases Project	–	34,715	(34,715)	–	–
Legal Education Foundation – Maximising IT	2,061	–	(2,182)	121	–
The Oak Foundation – Access Your Right to Care Funder Plus	82,532	603,634	(686,166)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	8,400	(8,400)	–	–
Access to Justice Foundation – Support for Litigants in Person	–	48,396	(48,396)	–	–
The Legal Education Foundation – Justice First Fellowships	–	5,966	(5,966)	–	–
The Baring Foundation – Community Justice	–	–	(225)	–	(225)
Birmingham City University – contribution to cloud migration	9,736	–	(10,194)	458	–
Baring Foundation – Mother and Child Project	–	–	–	–	–
Therium	–	25,000	(25,000)	–	–
Oak Foundation	–	96,000	(96,000)	–	–
Barrow Cadbury – Benefits Aware	–	300	(300)	–	–
The Oak Foundation – Legal Advice Project	22,865	–	(22,865)	–	–
Red Cross – Families Together	2,057	19,638	(21,695)	–	–
Controlling Migration Fund	2,609	138,425	(141,093)	59	–
Asylum, Migration and Integration Fund	–	62,508	(69,453)	6,945	–
Birmingham City Copuncil – EUSS Project	–	35,053	(35,053)	–	–
Law Centres Network – PLP Crisis Hubs	–	5,000	(5,000)	–	–
COVID	–	–	–	–	–
COVID LCN Community Justice	–	15,000	(15,000)	–	–
Comic Relief – COVID 19 Recovery Fund	–	40,000	(40,018)	18	–
Access to Justice Foundation – Community Justice Fund	–	219,649	(271,972)	52,323	–
Total restricted funds	598,071	2,825,978	(2,994,233)	72,231	502,047
Designated funds:					
Transformation fund	220,000	–	(22,022)	–	197,978
Legal Support fund	–	–	–	150,000	150,000
Pension fund	–	–	–	600,000	600,000
Total designated funds	220,000	–	(22,022)	750,000	947,978
General funds	1,260,013	677,985	(169,442)	(822,231)	946,325
Coventry University	–	85,966	(85,966)	–	–
University of Warwick	–	62,870	(62,870)	–	–
Birmingham City University	–	103,730	(103,730)	–	–
Total unrestricted funds	1,260,013	930,551	(422,008)	(822,231)	946,325
Pension reserve	(496,000)	–	(321,000)	–	(817,000)
Total funds including pension fund	1,582,084	3,756,529	(3,759,263)	–	1,579,350

17a Movements in funds (continued)

The narrative to explain the purpose of each fund is given at the foot of the note below.

The grant received from Coventry City Council for the Mifriedly Cities project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £12,307 for the year (2020: £6,763).

The grant received from Birmingham City Council for the Asylum, migration and integration fund project has been agreed on the basis that the Law Centre makes a contribution towards the costs of the project. This contribution was £6,945 for the year (2020: £nil).

In 2019/20 £220,000 was allocated to a designated reserve for a transformation programme as agreed by the Trustees. The funds are expected to be spent over the period April 2020 – March 2023. The purpose of the expenditure is to strengthen the internal systems and processes of the Law Centre and to create management capacity to develop and implement our future strategy. The costs include a Process and Change Manager, an interim management promotion and assistant support to the management team.

In 2020/21 £150,000 has been designated by the trustees to continue our work on ensuring Rights in the Community. The purpose of the funds is largely to support the salary costs of the delivery team. The funds are expected to be spent in full in the 2021/22 financial year.

In 2020/21 the trustees designated £600,000 for a pension liability crystallisation risk. Historically CELC employees had access to the Local Government Pension Scheme via the West Midlands Pension Fund. Scheme entry was closed in 2007 for new members and there are now only two active members of the scheme. Once the last CELC employee who is also an active member of the fund leaves CELC employment, this triggers what is referred to as a pension fund crystallisation event. A guarantee document has been agreed between Coventry City Council (CCC), West Midlands Pension Fund and CELC providing protection in the event of a crystallisation event. An accompanying agreement between CCC and CELC states that in the event of crystallisation, the order of preference is for CELC to a) settle the amount in full b) in part or c) CCC will settle the amount in full if CELC is unable. The trustees have therefore agreed to designate an amount in recognition of this agreement.

Notes to the financial statements

For the year ended 31 March 2021

17b Movements in funds (prior year) (restated)

	As at 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Coventry City Council – grant	–	439,726	(439,726)	–	–
Subscription fund	–	600	(600)	–	–
Advice Services Coventry	–	126	(126)	–	–
Coventry Building Society – Homelessness Prevention Project	–	15,000	(15,000)	–	–
Coventry City Council – Advice for Families	–	87,787	(87,787)	–	–
Virgin Health – Anchor Centre	–	9,016	(9,016)	–	–
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	55,167	290,964	(306,247)	–	39,884
The Legal Education Foundation – the RIPPLE Project	50	13,232	(13,232)	–	50
Kids in Need of Defense	–	784,019	(372,116)	–	411,903
Voluntary Sector Consortium – Coventry Healthwatch	–	43,384	(43,384)	–	–
The Baring Foundation – Mother and Child Project	4,575	–	(4,575)	–	–
Coventry City Council – Syrian Families Project	–	75,000	(75,000)	–	–
Allen & Overy – Volunteers	–	10,000	(10,000)	–	–
Smallwood Trust – Improving Financial Security of Women	–	31,060	(31,060)	–	–
Coventry City Council – Welfare Benefits Advisor	2,353	2,774	(5,127)	–	–
Coventry City Council – MiFriendly Cities	24,216	39,538	(46,143)	6,763	24,374
The Oak Foundation – Access Your Right to Care	–	176,206	(93,674)	–	82,532
Law Centres Network – EUSS Complex Cases Project	–	56,943	(56,943)	–	–
Legal Education Foundation – Maximising IT	–	8,901	(6,840)	–	2,061
Birmingham City University – contribution to Cloud Migration	9,736	–	–	–	9,736
Barrow Cadbury – Benefits Aware	–	46,919	(46,919)	–	–
The Oak Foundation – Legal Advice Project	–	139,711	(116,846)	–	22,865
Red Cross – Families Together	–	23,715	(21,658)	–	2,057
Postcode Lottery – Families Together	–	20,000	(20,000)	–	–
LCN Guardian Appeal	–	9,200	(9,200)	–	–
Controlling Migration Fund	–	105,802	(103,193)	–	2,609
Total restricted funds	96,097	2,429,623	(1,934,412)	6,763	598,071
Designated funds:					
Transformation fund	–	–	–	220,000	220,000
Total designated funds	–	–	–	220,000	220,000
General funds	1,209,728	571,061	(294,013)	(226,763)	1,260,013
Coventry University	–	84,960	(84,960)	–	–
University of Warwick	–	39,000	(39,000)	–	–
Birmingham City University	–	66,425	(66,425)	–	–
Total unrestricted funds	1,209,728	761,446	(484,398)	(226,763)	1,260,013
Pension reserve	(509,000)	3,000	10,000	–	(496,000)
Total funds including pension fund	796,825	3,194,069	(2,408,810)	–	1,582,084

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (continued)

Purposes of restricted funds

Coventry City Council – grant	To support legal casework for people in Coventry
Subscription fund	A regular donation to pay for a subscription is made by an ex-employee
Advice Services Coventry	Funding received to maintain a website for the advice centres in Coventry to make referrals to partner agencies
Coventry Building Society – Homelessness Prevention Project	Funding for housing advice to prevent Homelessness
Coventry Building Society – Mental Health Project	Providing intensive support to people facing housing issues and disclosing a mental health condition.
Coventry City Council – Advice for Families	Working with the local authority's Family Hubs, to provide legal support to vulnerable families in the city
Virgin Health – Anchor Centre	Advice and casework for people that are homeless or insecurely housed
The Legal Education Foundation – Justice First Fellowships	Funding to support training contracts for social welfare lawyers
Early Action Neighbourhood Fund/Coventry City Council – Ignite Project	A change programme in partnership with Grapevine to promote early action in two public services in Coventry
The Legal Education Foundation – the RIPPLE Project	A Public Legal Education Programme in the field of community care by working with groups of clients who have similar issues/needs
Kids in Need of Defense	Working with a consortium to establish a pro bono service for children to receive immigration advice
Voluntary Sector Consortium – Coventry Healthwatch	To provide independent advocacy to people with health complaints throughout Coventry
The Baring Foundation – Mother and Child Project	To build capacity in the advocacy sector to tackle issues raised for girls and women leaving care who are pregnant
Coventry City Council – Syrian Families Project	A joint programme of support to assist Syrian refugees to settle in the city
Allen & Overy – Volunteers	A contribution to supporting student pro bono clinics
Smallwood Trust – Improving Financial Security of Women	A partnership with Women's Organisations in Coventry to provide more co-ordinated services for vulnerable women
Barrow Cadbury – Benefits Aware	To deliver training and use social media to build an informed community of advisers and claimants
The Oak Foundation – Legal Advice Project	Support to develop new housing and immigration legal advice services
Coventry City Council – Welfare Benefits Advisor	Additional funding to employ a Welfare Benefits Advisor
Coventry City Council – MiFriendly Cities	To provide legal healthchecks to migrant communities with a focus on undocumented minors
Birmingham City University – contribution to Cloud Migration	A one-off grant in support of moving our IT to the Cloud
The Oak Foundation – Access Your Right to Care	To transform access to justice for people with a learning difficulty
Law Centres Network – EUSS Complex Cases Project	To assist people with complex cases in securing EU settled status
Legal Education Foundation – Maximising IT	To engage a consultant to define our technology and IT needs
Red Cross – Families Together	To support refugees (and their families) applying for family reunion
Postcode Lottery – Families Together	To offer legal advice to victims of modern slavery to enable them to regulate their immigration status
LCN Guardian Appeal	Funding to support Law Centres
Controlling Migration Fund	To enable new arrivals and existing migrant communities to effectively access local services and networks in Birmingham
Funder Plus	COVID-19 response – immediate administrative support for the Law Centre, mitigating lost Legal Aid income, and looking to develop longer-term post-pandemic service.
Access to Justice Foundation – Support for Litigants in Person	Delivery of advice and support to Litigants in Person with employment rights issues, and research seeking to understand the role of early advice in reducing the number of cases being heard in Tribunals
The Baring Foundation – Community Justice	Rights in Peril Project – research project focused on removal of legal rights by introduction of easements in the Coronavirus Act 2020.
Coventry City Council – EUSS Complex Cases Project	Support with Complex Case EUSS applications. Marketing of service. Training to frontline workers (particularly those working directly with vulnerable and at-risk nationals), organisations and groups across Coventry to raise awareness of EUSS.
Therium	Support for core costs including hiring a part-time administrator, enabling the Law Centre to pursue overall strategic objectives.
Oak Foundation	Support for core costs of Birmingham service with a focus on expanding law centre capacity to reduce the number of people who are homeless/at risk of homelessness by providing expert legal advice/representation in welfare benefits, debt, housing, community care, immigration and public law.
Asylum, Migration and Integration Fund	Foundations of Integration project. To improve provisions to support Third Country Nationals (TCNs) in accessing information, advice and guidance to further their integration and contributing to the development of an online portal.

17b Movements in funds (continued)

Birmingham City Council – EUSS Project	Deliver practical support to vulnerable or at-risk EU, EEA and Swiss citizens and their family members to help them make their EU Settlement Scheme application.
Law Centres Network – PLP Crisis Hubs	Establishing a partnership between LCN and CELC to increase the availability and accessibility of legal information, specialist social welfare, immigration and public law advice to Birmingham Crisis Skylight centres frontline workers.
COVID	
COVID LCN Community Justice	COVID-19 response – staff, office and administrative costs and expansion of services
Comic Relief – Partner Helpline & Pack	Maintaining COVID-19 response. Producing a weekly legal rights information pack and running a support helpline for frontline staff in other services
COVID – Community Justice Fund	COVID-19 response – immediate administrative support for the Law Centre, mitigating lost Legal Aid income, and looking to develop longer-term post-pandemic service.
The Baring Foundation – Help & Information Pack	Funding staff costs associated with running a helpline and issuing a rights information pack and other materials for partner organisations.

Purposes of contracts

Coventry University	For supervision of students to run advice clinics alongside staff
University of Warwick	For supervision of students to run advice clinics alongside staff
Birmingham City University	For supervision of students to run advice clinics alongside staff

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	Restated 2020 £
Net income for the reporting period (as per the statement of financial activities)	(2,734)	373,356
Depreciation charges	1,251	1,892
Interest receivable	(1,281)	(1,588)
Increase in work in progress	(95,078)	(117,011)
Decrease/(increase) in debtors	75,485	(382,186)
(Decrease)/increase in creditors	(647,004)	830,540
Increase/(Decrease) in pension scheme liability	321,000	(13,000)
Net cash provided by / (used in) operating activities	(348,361)	692,003

19 Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,573,719	64,823	1,638,542
Total cash and cash equivalents	1,573,719	64,823	1,638,542

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £	Equipment 2021 £	2020 £
Less than one year	46,716	45,086	4,272	4,588
One to five years	116,634	167,250	10,989	15,281
	163,350	212,336	15,261	19,869

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Notes to the financial statements

For the year ended 31 March 2021

22 Pension commitments

Historically employees had access to the Local Government Pension Scheme (LGPS) via the West Midlands Pension Fund. Scheme entry was closed in 2007 for new members and there are now only two active members of the scheme.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the period ended 31 March 2019.

Contributions amounting to £1,587 (2020: £2,228) were payable to the scheme at 31 March 2021 and are included within creditors.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2021 was £19,033, of which employer's contributions totalled £12,451 and employees' contributions totalled £6,582. The agreed contribution rates for future years are 15% for employers and depending on salary 6.5%–8.5% for employees.

Principal Actuarial Assumptions	2021	2020
Discount rate for scheme liabilities	2.00%	2.35%
Rate of increase in salaries	3.80%	2.90%
Rate of increase of pensions	2.80%	1.90%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

Retiring today

Males	21.6	21.9
Females	23.9	24.1

Retiring in 20 years

Males	23.4	23.8
Females	25.8	26.0

The charitable company's share of the assets and liabilities in the scheme and the expected rates of return were:

	2021 Expected rate of return	Value 2021 £'000	2020 Expected rate of return	Value 2020 £'000
Equities		1,640		1,335
Government Bonds		277		273
Other Bonds		107		98
Property		201		209
Cash/liquidity		166		84
Other		392		347
Total market value of assets	19.27%	2,783	8.00%	2,346
Present value of scheme liabilities – Funded		(3,600)		(2,842)
Deficit in the scheme		(817)		(496)

To develop the expected long-term rate of return on assets assumption, the employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio. This resulted in the selection of the above assumptions.

The total return on the fund assets for the year to 31 March 2021 is £452,000 (2020: (£97,000)).

Notes to the financial statements

For the year ended 31 March 2021

21 Pension commitments (continued)

	2021 £'000	2020 £'000
Amounts recognised in the statement of financial activities:		
Service cost	31	48
Net interest on the defined liability (asset)	11	12
Administration expenses	2	2
Total operating charge	44	62

The actuarial gains and losses for the current year are recognised in the statement of financial activities.

	2021 £'000	2020 £'000
Change in benefit obligations		
Benefit obligation brought forward	2,842	2,878
Service cost	31	31
Interest cost	66	69
Change in financial assumptions	760	(281)
Change in demographic assumptions	(37)	88
Experience (gain) on defined benefit obligations	(36)	66
Contributions by scheme participants	7	6
Past service costs, including curtailments	–	17
Estimated benefits paid net of transfers in	(33)	(32)
Benefit obligation carried forward	3,600	2,842

	2021 £'000	2020 £'000
Change in plan assets		
Fair value of plan assets brought forward	2,346	2,369
Interest on assets	55	57
Return on assets less interest	397	(154)
Other actuarial gain	–	81
Administration expenses	(2)	(2)
Contributions by employer including unfunded	13	21
Contributions by Fund participants	7	6
Estimated benefits paid net of transfers in	(33)	(32)
Fair value of plan assets carried forward	2,783	2,346

The employer expects to contribute £12,872 in the year to 31 March 2022.

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Five year history of experience adjustments					
Benefit obligation at year end	3,600	2,842	2,878	2,822	2,827
Fair value of plan assets at end of year	2,783	2,346	2,369	2,198	2,144
Deficit	(817)	(496)	(509)	(624)	(683)

23 Prior year adjustment for change in accounting policy

Central England Law Centre has reviewed the treatment of funding for the Kids In Needs of Defence (KIND) project. Previously, any unspent funds under this project had been deferred into future years. The charity has reviewed this accounting policy and determined that income should be recognised on award of grant agreements, at which point the income criteria per the SORP are met. Unspent funds are carried forward as a balance on restricted funds. The charity has applied this change in accounting policy retrospectively as required by FRS 102, resulting in a prior year adjustment.

Reserves position	Unrestricted £	Restricted £	Total £
Total funds at 31 March 2020 as previously stated	984,013	186,168	1,170,181
Adjustments to deferred income 2019/20	–	411,903	411,903
Total Funds as at 31 March 2020 as restated	<u>984,013</u>	<u>598,071</u>	<u>1,582,084</u>
Impact on income and expenditure 2019/20	Unrestricted £	Restricted £	Total £
Income as previously reported for y/e 31 March 2020	761,446	2,017,720	2,779,166
Adjustments to deferred income 2019/20	–	411,903	411,903
Net income as restated	<u>761,446</u>	<u>2,429,623</u>	<u>3,191,069</u>