LAW CENTRES FEDERATION

England & Wales · Charity number 1088588

Details

Other names	LAW CENTRES NETWORK, LCF, LCN
Status	Registered
Legal form	Charitable company
Company number	02433492
Registered	2001-09-26
Register	View on the Charity Commission register

Contact

Address	1 Lady Hale Gate Gray's Inn London WC1X 8BS
Phone	020 36371330
Email	info@lawcentres.org.uk
Website	www.lawcentres.org.uk

Activities

Objects: (A) TO RELIEVE CHARITABLE NEED, IN PARTICULAR FINANCIAL HARDSHIP, AND IN SO DOING PROVIDE ASSISTANCE TO LAW CENTRES AND ENCOURAGE THE FORMATION OF LAW CENTRES IN TH UNITED KINGDOM. (B) TO ADVANCE THE EDUCATION OF THE PUBLIC BY ASSISTING LAW CENTRES IN IMPROVING AND DIFFUSING 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.

Activities: To relieve charitable need and financial hardship, provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom. To advance the education of the public by assisting Law Centres in improving knowledge and practice of the law, and administration of justice in areas of the law which are of particular concern to poor people and directed to the relief of poverty.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM
- Northern Ireland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,123,275	£1,074,401	£362,075	12
2024-03-31	£1,096,978	£1,064,592	£313,201	10
2023-03-31	£912,591	£1,069,258	£280,815	12
2022-03-31	£1,057,608	£1,227,117	£437,482	13
2021-03-31	£4,570,760	£4,424,990	£606,991	12

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Trustees

Name	Role	Appointed
HELEN CLAIRE DARBY ROGERS	Chair	2012-04-18
Andrew John Angus Allan		2025-11-21
David Jackson		2024-11-22
Hilton Ransford Von Herbert		2025-11-21
Lydia Elizabeth Nash		2022-12-02
Mark Clifton Weights		2023-11-24
Modupe Ayodeji Michael Fawole		2022-12-02
NICHOLAS EUGENE WHITTINGHAM		2024-11-22
Professor Gareth Thomas		2024-11-22
Sagar Kantilal Shah		2023-11-24
Sara Naomi Taylor		2025-11-21
Thomas Christopher Stephens		2024-11-22
Vanessa Clare Logan		2025-11-21
Victor Carmelle Alphonso McAllister		2022-12-02

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LAW CENTRES FEDERATION

England & Wales - Charity number 1088588

Accounts

Company no :2433492
Charity No: 1088588

LAW CENTRES FEDERATION

Report and Audited Financial Statements

31 March 2025

Law Centres Federation
Reference and Administrative Details for the year ended 31 March 2025

Company number 2433492
Charity number 1088588
Registered office and operational address
1 Lady Hale Gate
Gray's Inn
London
WC1X 8BS

Executive Officers
The following served on the executive Committee throughout the year:
From 1 April 2024 to 22 November 2024:

Chair:	Helen Rogers
Vice Chair:	Ursula O'Hare
Vice Chair:	Vicky Fewkes
Treasurer:	Patrick Marples
Secretary:	Ngaryan Li

Committee Members:
Sara Chandler (co-opted on 11 December 2023)
Michael Fawole
Najwa Hassan
Laura Hastie
Peter Kandler (co-opted on 11 December 2023)
Victor McAllister
Lydia Nash
Pamela Robotham (co-opted on 11 December 2023)
Sagar Shah
Emma Stradling
Linda Summers
Mark Weights

From 22 November 2024 to 31 March 2025:

Chair:	Helen Rogers
Vice Chair:	Nick Whittingham
Vice Chair:	Michael Fawole
Treasurer:	Victor McAllister

Committee Members:
Sara Chandler (co-opted on 9 December 2024)
David Jackson
Peter Kandler (co-opted on 9 December 2024)
Ngaryan Li
Lydia Nash
Pamela Robotham (co-opted on 9 December 2024)
Sagar Shah
Miriam Smith-Ihionvien
Thomas Stephens
Emma Stradling
Gareth Thomas
Mark Weights

On 31st March 2025 there was 1 elected vacancies on the committee.
The officers and committee members are all members of the Executive Committee.

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 2025 was 40.

Members of the Executive Committee had no beneficial interest in the charity.

Bankers:	The Cooperative Bank Islington High Street London N1 9TR
	CAF Bank 25 Kings Hill Avenue Kings Hill, West Malling Kent, ME19 4JQ
	Charity Bank Ltd Fosse House 182 High Street Tonbridge TN9 1BE
Auditor:	Goldwins Chartered Accountants 75 Maygrove Road West Hampstead London NW6 2EG

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2025

The Law Centres Federation is a registered charity and a company limited by guarantee. It is governed by the Memorandum and Articles of Association created in 1978 and last updated at the 2022 AGM. The company is registered at Companies House, registration number 2433492. The company is also a Registered Charity registration number 1088588.

The Law Centres Federation trades as the Law Centres Network (LCN).

The reference and administrative details on page 1 form part of this report.

The Executive Committee, which is also the Board of Directors of the charitable company for the purposes of the Companies Act, submit its annual report and financial statements of the Law Centres Federation for the year ended 31 March 2025. The Executive Committee confirms that the annual report and financial statements of the Law Centres Federation comply with current statutory requirements, the requirements of its governing document, as provided in its Memorandum and Articles of Association, and the provisions of Accounting and Reporting by Charities preparing their accounts in accordance with Accounting and Reporting by FRS 102 Charities SORP.

Election of Directors/Trustees to the Executive Committee and ongoing Training

LCN is governed by an elected Executive Committee which has corporate and legal responsibility for all activities and functions of the organisation.

People are nominated prior to election, or re-election, by member Law Centres at the Annual General Meeting, in accordance with the Memorandum and Articles of Association of the Law Centres Federation. This provides for the election of 15 members: five officers, five representatives of member Law Centres' management committees and five employees of member Law Centres. Up to five additional Executive Committee members may be appointed by co-option.

The Law Centres Network is committed to ensuring that the membership of the Executive Committee reflects the diversity of its member Law Centres. It annually reviews its composition for diversity as well as the skills of its members to ensure that a balance is maintained of geographic, developmental, financial, legal and management skills across the Executive Committee to enable it to discharge its duties.

An induction event is offered to new Executive Committee members at the beginning of their term of office. All new Executive Committee members receive an induction pack that includes information about the Law Centres Network, and a briefing that outlines the roles and responsibilities of the Executive Committee as both company directors and charity trustees. Recent copies of minutes, management accounts and management reports, together with copies of the Memorandum and Articles of Association, are included in the induction pack. This pack is available online for all committee members.

Charity Governance Code

Throughout the year, trustees are provided with updated information on changes to relevant legislation, their responsibilities as trustees, new guidance provided by the Charities Commission or other relevant information that may assist them to carry out their duties as Trustees. We also provide training on relevant topics.

Trustees are aware of the Charity Governance Code published in 2017 that sets out the principles and recommended practice for good governance within the sector. LCN has reviewed its governance arrangements against the principles within the Code and believes that it is compliant whilst maintaining its need to operate its governance efficiently.

The charity purchased insurance costing £1,106.43 included in Support Costs, to protect it from loss arising from neglect or default of the Trustees Directors / Executive Committee members and to indemnify the Trustees against the consequences of neglect or default on their part.

Risk Management

The Executive Committee (EC) has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The system of internal controls is designed to provide assurance that the charity's funds are used in line with its charitable objects, for the purposes for which they were granted and for the public benefit. These controls include:

- A strategic plan, an annual budget and a cashflow projection for the next 18 months, all approved by the Executive Committee.
- Regular oversight and consideration by the Executive Committee of financial information, variance from budgets and non-financial performance reports.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Overall responsibility for the Law Centres Network rests with the Executive Committee. Day-to-day management of the LCN has been devolved to the Director.

The LCN undertakes formal risk management reviews. The Finance sub-committee of the EC has been charged with monitoring risk each quarter to report back to the EC meeting and alert it of any new risks or issues of concern. The Sub-Committee reviews the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways to mitigate the risks.

LCN identified the key risk in the coming three years as: securing sufficient core funds, particularly given the ending of multi-year grants; loss of key personnel; cyber security; and the ongoing difficulty Law Centres, and all organisations across the legal aid sector, have recruiting and retaining suitably qualified staff. The Trustees also consider the potential impact of political instability and a regularly changing policy environment as a risk for both Law Centres and LCN. Mitigations are in place for each of these risks.

The Executive Committee is pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Pay and remuneration of the charity's key management personnel

The LCN has in place a Salary Policy. All salaries are set and managed in reference to the policy which is reviewed regularly. All LCN staff including key managers have their salary set against the NJC Pay Scales and in accordance with the Salary Policy. New staff starting salary is set at the pay point which most closely matches their job description. Increases to the Award, which occur from time-to-time, are passed on to staff. The Human Resources Sub-Committee of the Executive Committee monitor salary policy and make changes as required.

Public Benefit

The Executive Committee (EC) considers that the activity undertaken to achieve its Vision and Mission are for the benefit of the public. The EC referred to the guidance contained in the Charity Commission's general guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB")' when reviewing its strategic objectives and setting the approach it will take as part of its annual planning process. The EC also reviews progress against the objectives and activity undertaken on a quarterly basis.

LCN's activities benefit the public in 3 ways:

1. Through working with organisations to establish Law Centre services in new areas, thereby increasing access to free legal assistance for people in financial hardship.
2. Through providing services to Law Centres that enable them to provide legal services to vulnerable and disadvantaged people in their communities with activities such as assisting with tender preparation and funding bids, training, governance support, facilitating effective collaboration and sharing of resources.

3. Through policy work that seeks to address the underlying causes of people's legal problems through strategic projects, through responding to consultations, participating in reviews, representing Law Centres with decision makers, and through working to extend the availability of free legal services for disadvantaged people.

LCN reports publicly on its activity and impact in its Annual Review available on our website: **Read Annual Review 2023–24** and published with our annual return to the Charities Commission.

Throughout 2024-2025 LCN considered all its activities were for the benefit of the public and were guided by our strategic plan.

Objects and Activities

The Law Centres Federation (LCN) is the national organisation that represents Law Centres. The term "Law Centre" is a registered trademark, available for use only by members of the Law Centres Federation.

The objects of the Law Centres Federation (LCN) are:

1. To relieve charitable need, in particular financial hardship, and in so doing provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom
2. To advance the education of the public by assisting Law Centres in improving and diffusing knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas or the law which are of particular concern to poor people or are directed to the relief of poverty.

Law Centres are not-for-profit legal service providers, specialising in social welfare law (housing, immigration, employment, welfare benefits, mental health, community care, public law, etc) and related areas of law that affect people in their daily lives, particularly people who are vulnerable and/or economically disadvantaged. Without Law Centres hundreds of thousands of people would have no meaningful access to justice and could not resolve their problems so would be hindered from taking up opportunities.

To become a Law Centre an organisation needs to be vetted by the Law Centres Network, and then voted in by the current membership at a General Meeting. To enjoy the benefits of membership each Law Centre has to comply with membership regulations, including employing at least 2 lawyers and having an independent management committee drawn from the community it serves.

On 31 March 2025, there were 40 Law Centres (with 44 offices / branches) that are members of the Law Centres Network. LCN also has 2 Affiliates. Affiliate status is intended specifically for collegiate law clinics, operated by law students under professional supervision, to ally themselves with Law Centres' work for access to justice and to suggest social welfare law as a career path to a new generation of legal professionals.

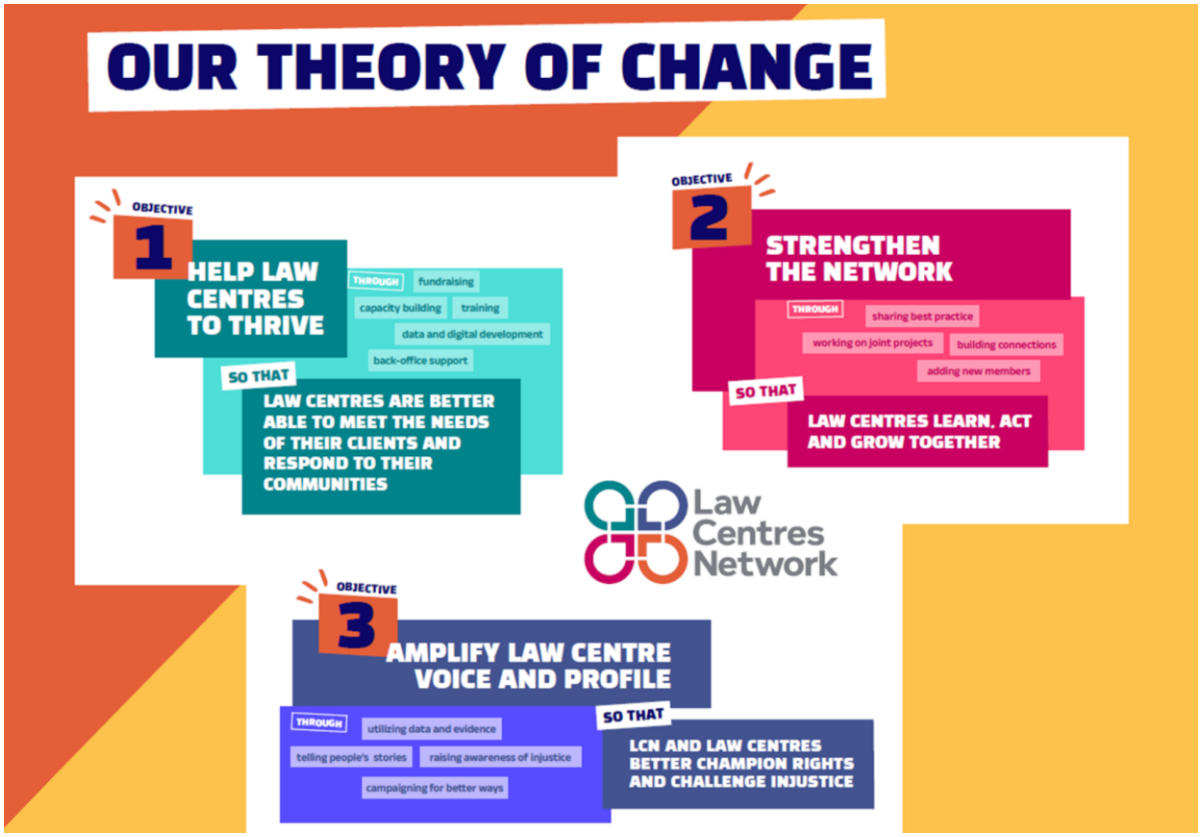
The Executive Committee secured resources to employ a Director with 11 staff to implement the organisation's strategic objectives in 2024-2025. These are reviewed and agreed each year so that LCN can achieve its vision and mission:

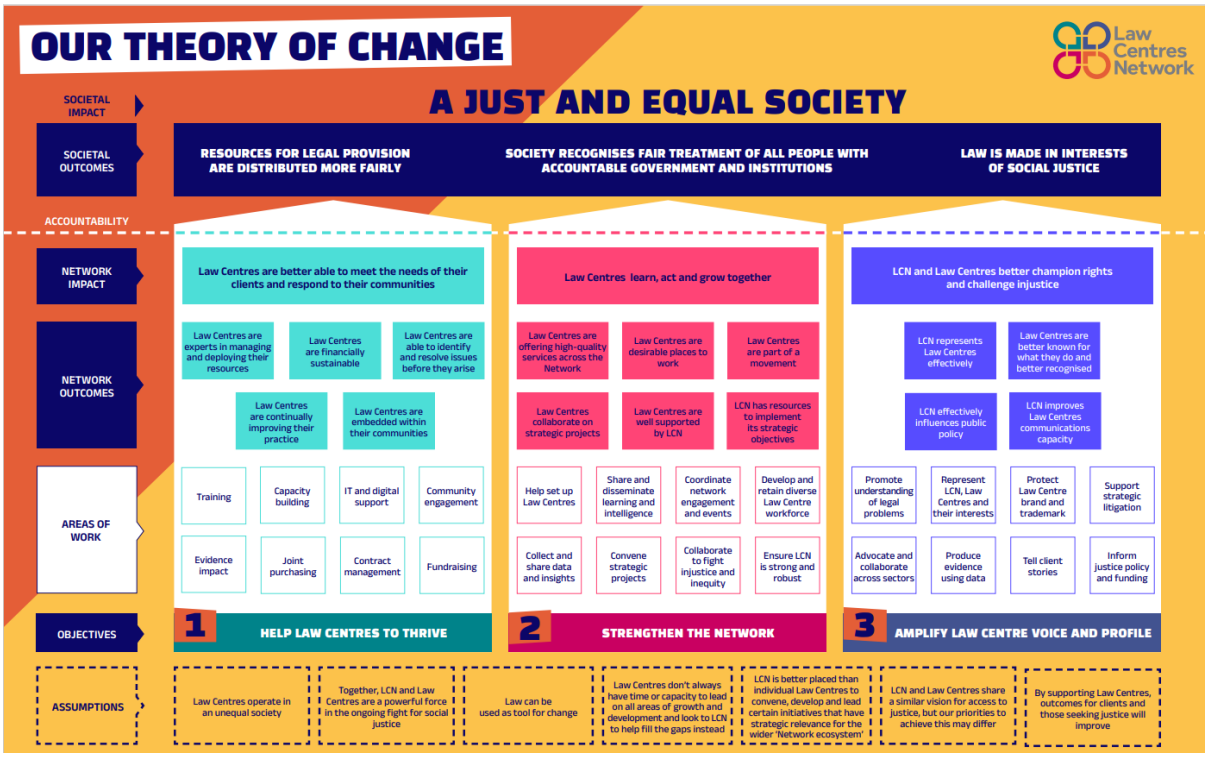
LCN's Vision - The Law Centres Network strives for a just and equal society where everyone's rights are valued, defended and protected.

LCN's Mission - We uphold justice for socially and economically disadvantaged members of society by supporting a national network of Law Centres that use their legal skills as a tool for change and their legal expertise to defend the rights of people in their communities. We represent Law Centres at all levels of government and national forums, we help centres to maximise their potential as sustainable organisations, we initiate new Law Centre services for particularly vulnerable groups, and we champion the Law Centre model. We are the collective voice of Law Centres.

LCN's Theory of Change

Below is our Theory of Change that illustrates how LCN will achieve its Mission and make the change we seek to make in service of our charitable objects.





The Theory of Change illustrates **LCN's Strategic Objectives for 2024-2025** (until 2029).

1. **Help Law Centres to thrive**
2. **Strengthen the network of Law Centres**
3. **Amplify the collective voice and profile of Law Centres**

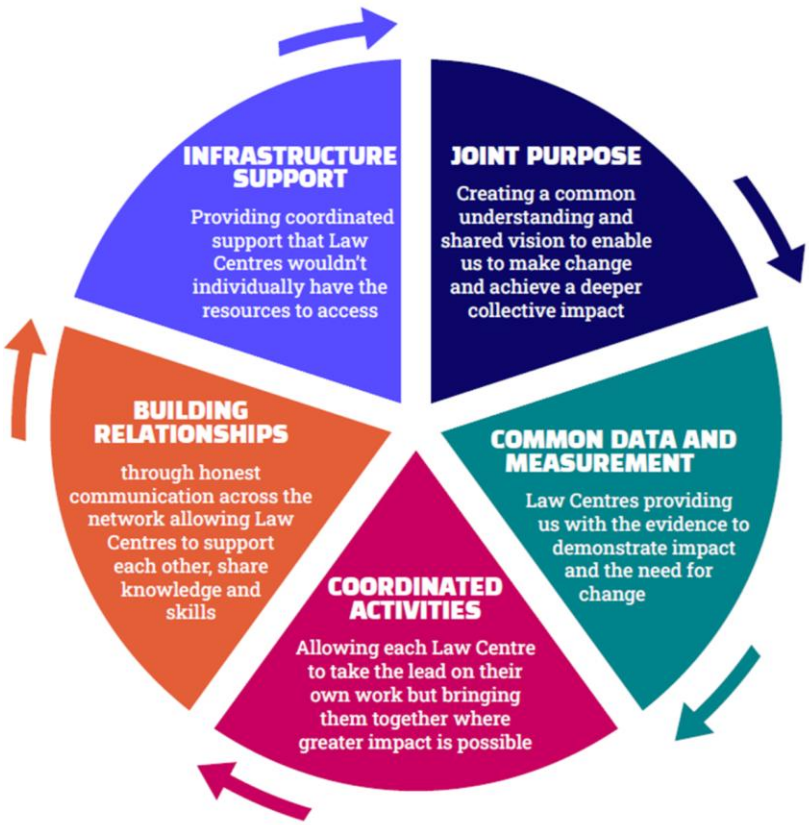
The Law Centres Network acts as a catalyst for activity across Law Centres, working on a national level to reveal injustice, analysing needs and root causes and advocating for change. LCN is uniquely placed to identify what has worked, collect evidence and share that learning across the network of Law Centres and then support other Law Centres to take up proven methods. It drives quality across Law Centres and enables local Law Centres to join together so they can design strategic national responses and exert influence, yet still be embedded in and driven by the needs in their local communities. In this way LCN achieves its charitable objects and its public benefit is produced.

5-year Strategic Plan

LCN continued to implement its 2024-2029 strategic plan in 2024-2025.



Out our strategic planning meeting in February 2025 we reaffirmed our particular focus to harness the network of Law Centres to achieve a deeper impact. The following illustration indicates **how** LCN achieves this impact. The work undertaken to achieve this is illustrated below:

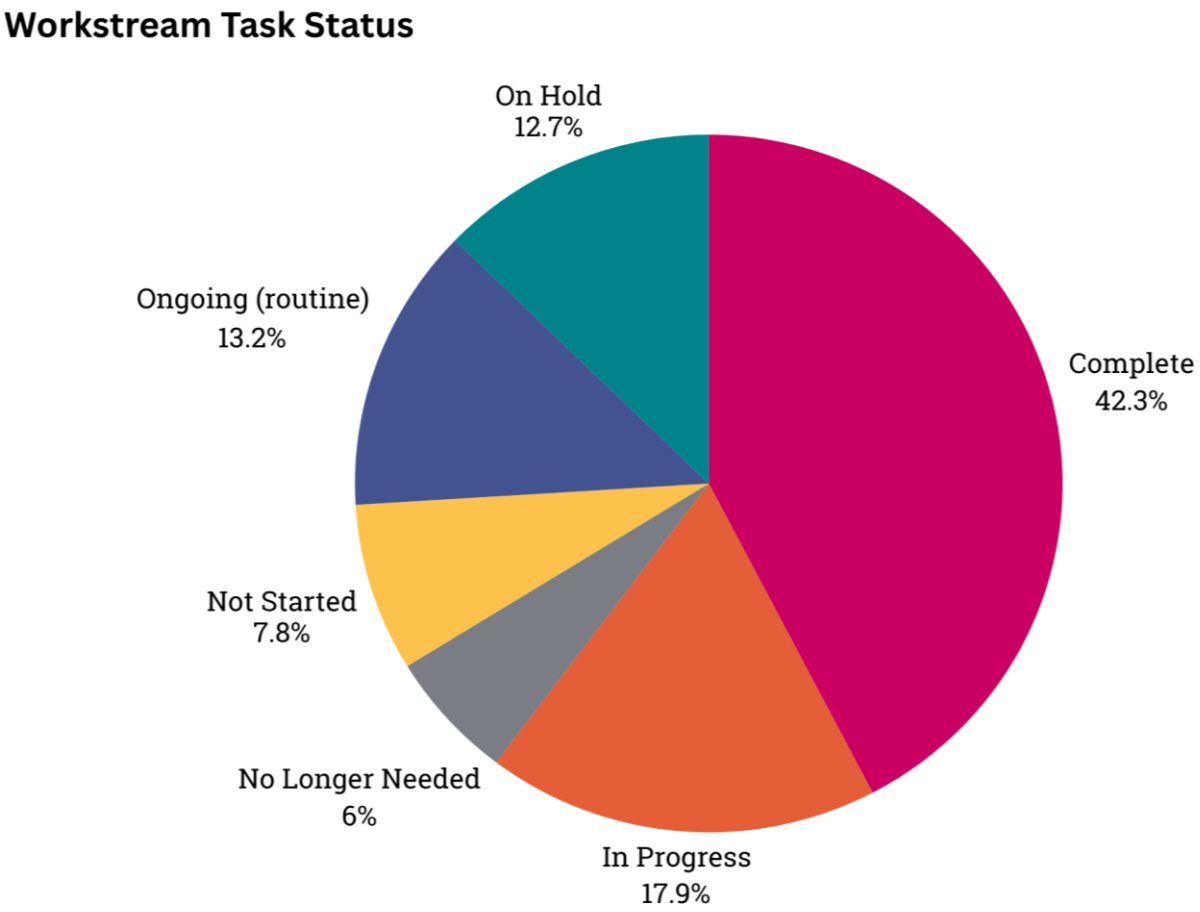


Impact 2024-2025

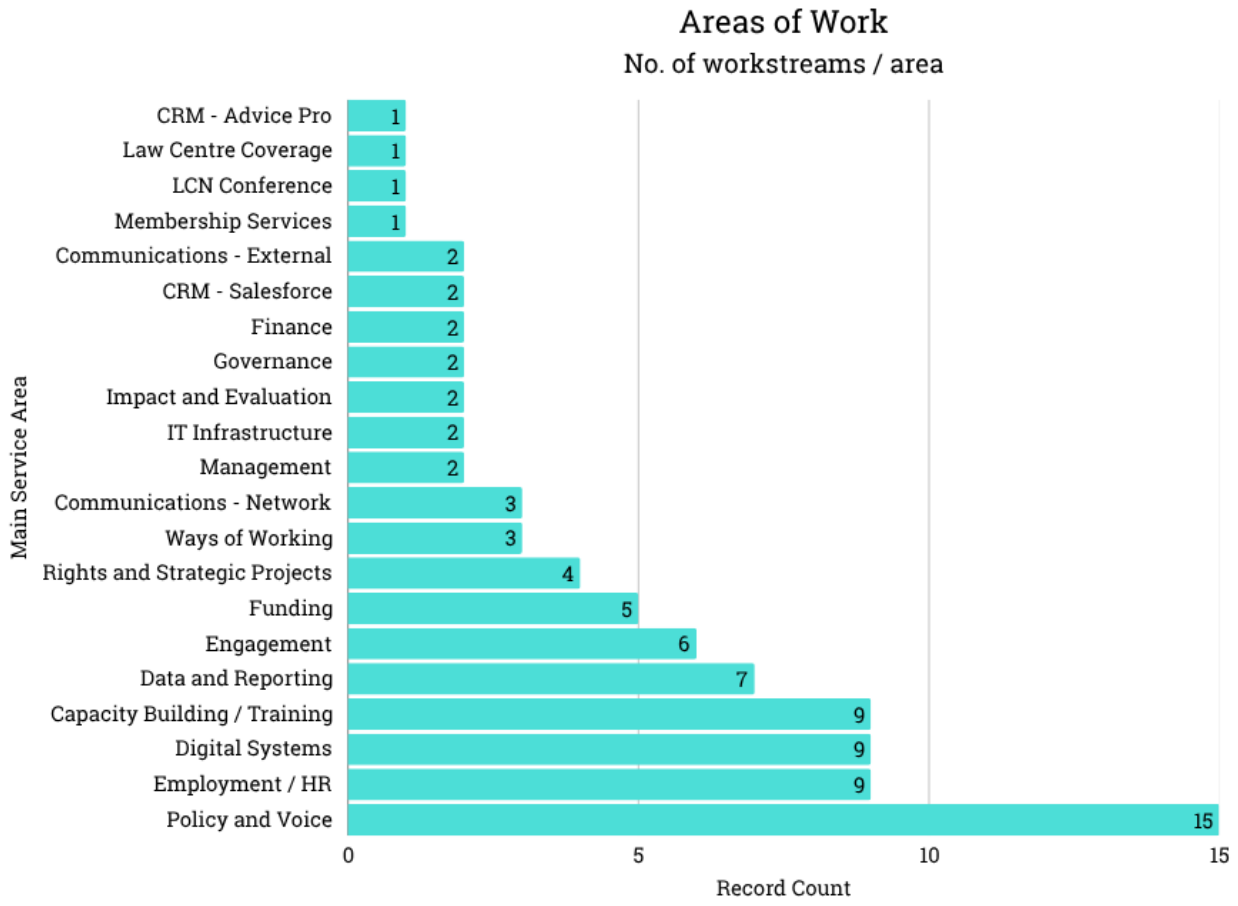
LCN categorises its work by **Initiatives** that are undertaken to achieve our strategic objectives, **workstreams** that are undertaken to implement the initiative, and **tasks** that are done to complete the workstream. Following are a series of graphs illustrating our progress over the last year.



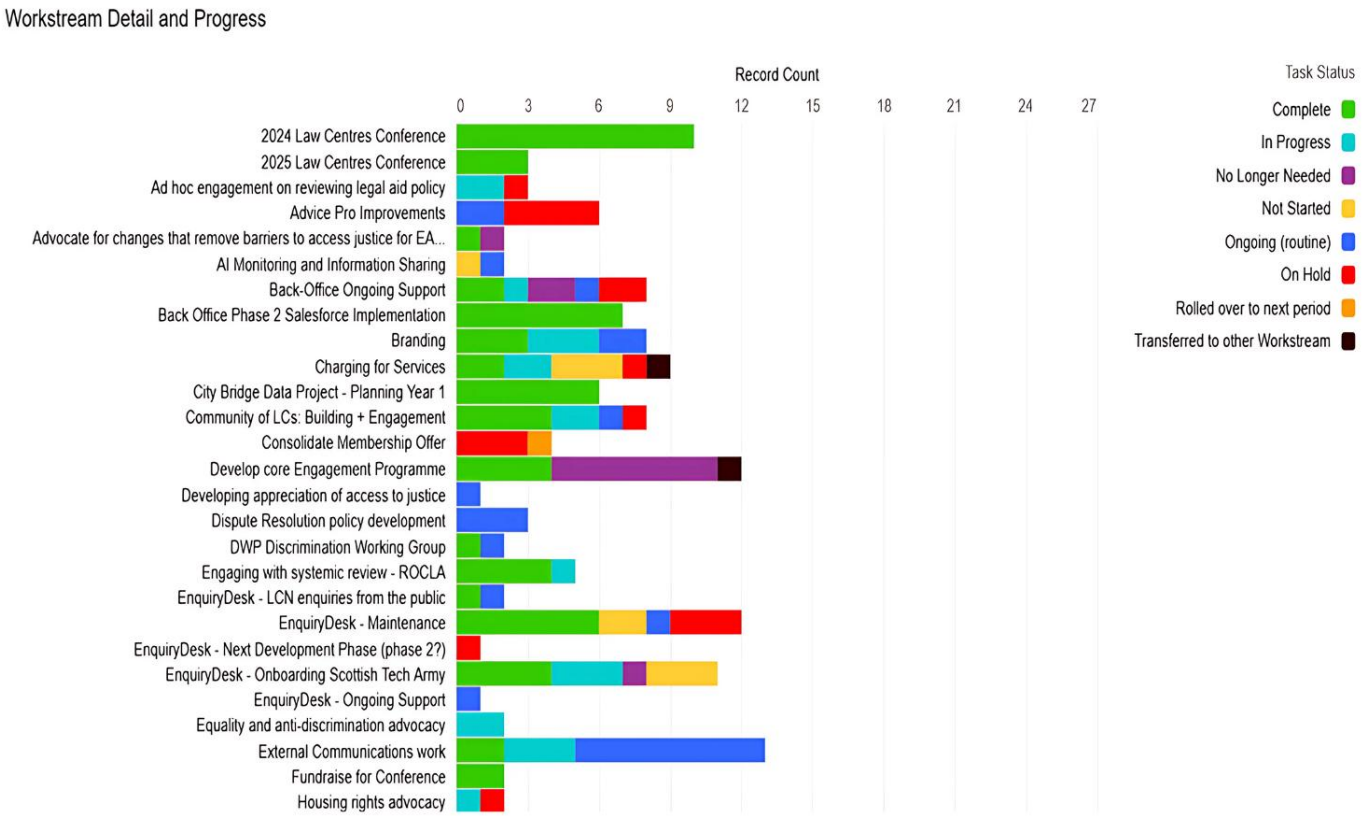
Tasks:

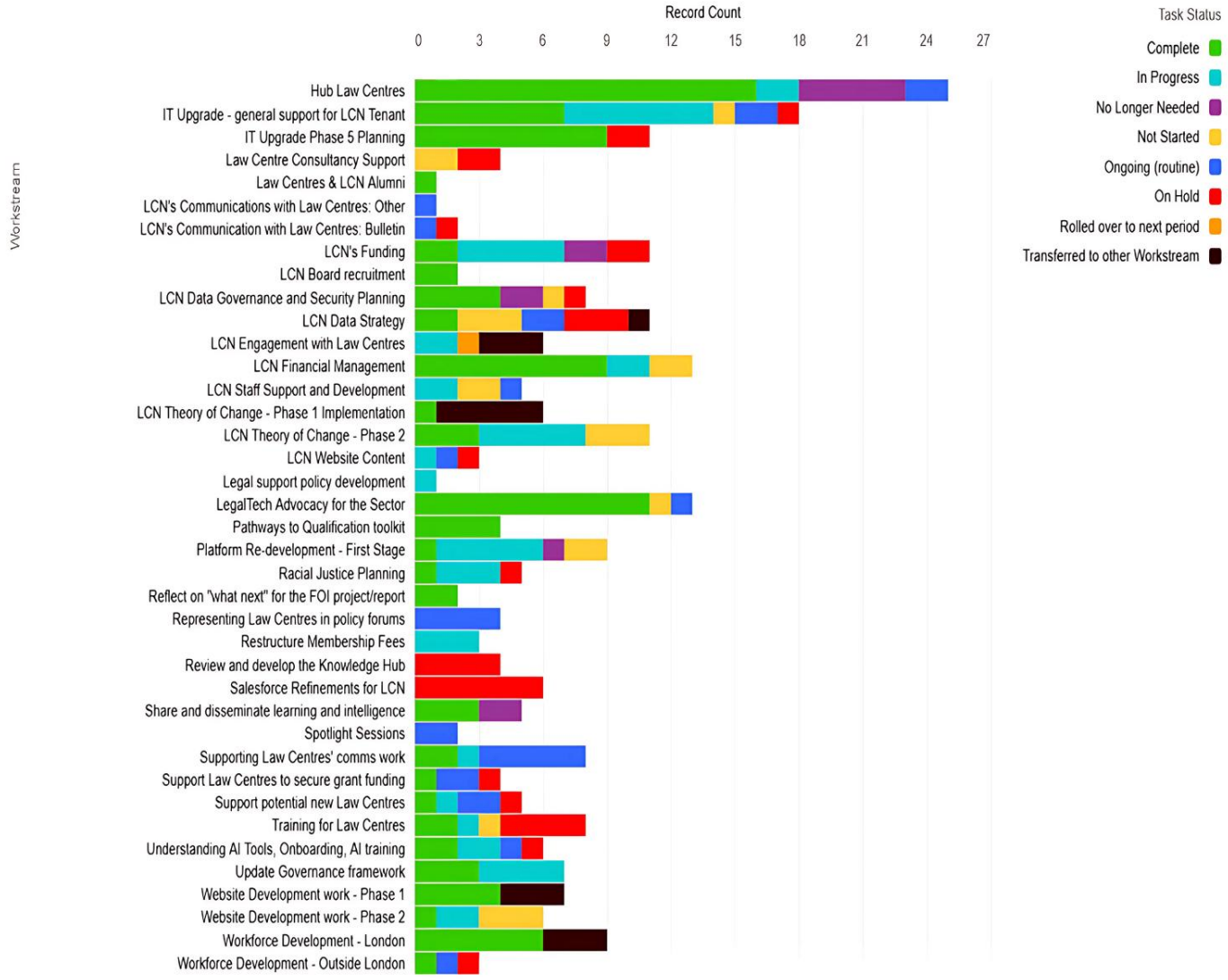


Areas of Work:



Workstream details:





Progress against LCN's Strategic Objectives for 2024-25

Strategic Objective 1 - Help Law Centres to thrive

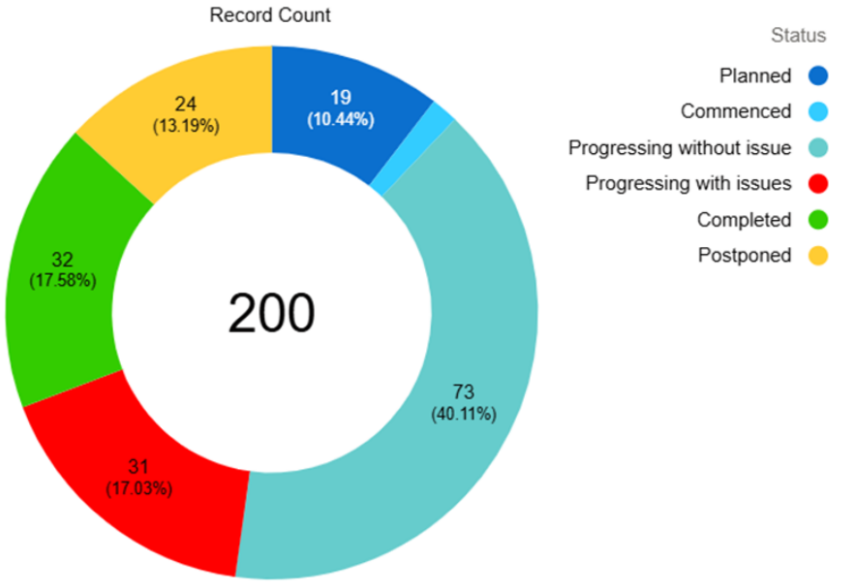


In 2024-2025 to achieve the objective to **Help Law Centres to thrive** the following streams of work were undertaken. The work was funded by:

- LCN Membership Subscriptions
- AB Charitable Trust
- John Ellerman Foundation
- London Legal Support Trust – Cost of Living
- The Legal Education Foundation



OBJECTIVE 1:
OVERALL TASK STATUS



Law Centres are uniquely placed to use the law as a tool for social change, but our network is only as strong as our weakest member. Our continued progress towards a just and equal society is only possible if each and every Law Centre can secure and deploy the resources it needs.
Our work under this objective is about supporting Law Centres to:

- **improve their financial sustainability**
- **identify and embed best and emerging practice**
- **better understand their role as legal advice organisations within their local ecosystem of residents, community groups, and other charities**

- **manage and deploy their people, money, buildings, time, equipment, and data more effectively**
- **identify potential challenges at an earlier stage and act quickly to mitigate them**

Beyond these overarching themes, our close relationship with members means we can respond quickly and strategically to emerging pressures and opportunities, such as developments in AI or new pathways to solicitor qualification.

This year, we have undertaken work in the following initiatives:

Initiative Name	Description
AI Tools, Monitoring and Information Sharing	Understanding how LCN and Law Centres can leverage AI in their work, and ensure that onboarding and ongoing use of AI is undertake within a proper governance framework so use of AI is in accordance with values and data is protected.
Digital Back Office Project	Implementing a custom configuration of Salesforce designed on Law Centres' requirements for managing back-office functions like HR, grants, contacts and office compliance.
Digital Development and New Tech	A framework to support Law Centres at different stages of development and with differing resource constraints and differing levels of buy-in and no ultimate control.
Digital Program Management	LCN's digital transformation programme is a framework to support the individual digital transformation of Law Centres to enable them to harness digital solutions to enhance their ability to strive for a just and equal society where everyone's rights are valued, defended and protected.
Enquiry Desk	A project as part of LCN's wider Digital Transformation Program to test out the concept of deploying a tool to help Law Centres capture data on enquiries and client profile, including those people they have to turn away.
IT Infrastructure	This is part of LCN's broader Digital Transformation program to ensure that Law Centres have the IT infrastructure they need to effectively and efficiently run their Centre and deliver services.
Law Centre Capacity Building	This is about building Law Centre's capacity, so they are better able to meet the needs of their clients and respond to their communities. It includes direct support and training.
Law Centre Data	Building the data maturity of Law Centres to ensure they have the right skills, tools, leadership, culture and governance to collect, analyze and draw insights from the important data they hold on operations and legal work.
Law Centre Funding	This is part of LCN's routine work to provide funding support to Law Centres in the form of: capacity building direct support and training raising awareness of funding opportunities supporting or leading on collaborative bids developing resources and sharing learning on applying for and managing grants, donations and contracts.
Law Centre Workforce Development	Supporting Law Centres to attract, recruit, develop and retain the staff they need.

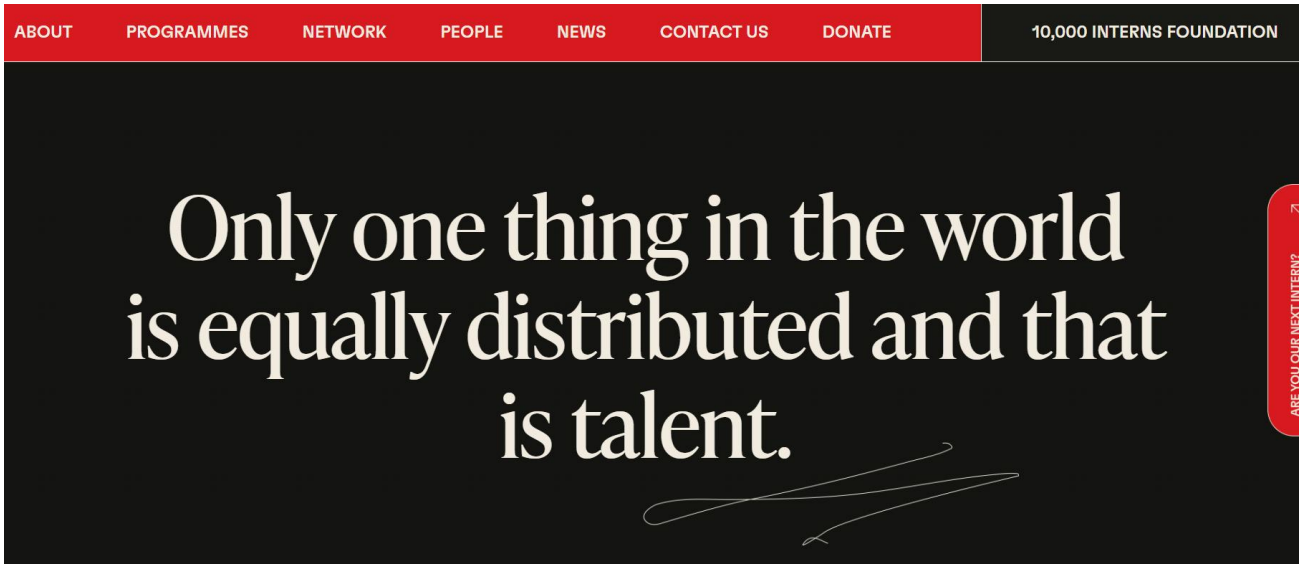
The Hub Approach	Ongoing support to help Law Centres better understand their role within their communities, to engage more effectively with the people they represent, and to contribute their legal expertise to a joint effort in creating social change.
Individual Law Centre fundraising, consultancy and support	Responding to requests for assistance from individual Law Centres on a range of topics from governance, to regulation, to HR, to administration, to financial management, to contract management, ongoing sustainability, etc.

Underpinning each of these initiatives is a series of workstreams, including the following HIGHLIGHTS in 2024-2025:

Developing paid internships (funded by Propel)
The Law Centre workforce is more diverse than the wider legal sector. However, we know that people from historically excluded communities often face systemic barriers to employment, including those who want to work in Law Centres. As part of our work to become an anti-racist movement, we are committed to identifying these barriers and supporting people to overcome them.

In 2024-25 we worked with the 10,000 Interns Foundation to create six paid internships in LCN and Law Centres as part of the 10,000 Black Interns programme. By matching aspiring Black students and graduates with employers, ensuring pay at the Real Living Wage, and providing additional training and support, this programme enables young Black people to gain valuable experience in their chosen sector. In 2022, 80% of interns said they would not have secured an internship without the programme.

We supported four Law Centres to recruit from 200 candidates, with internships running between June and August 2025. If successful, we intend to repeat and expand this work to include more Law Centres and engage with other historically excluded groups, such as deaf and disabled people.

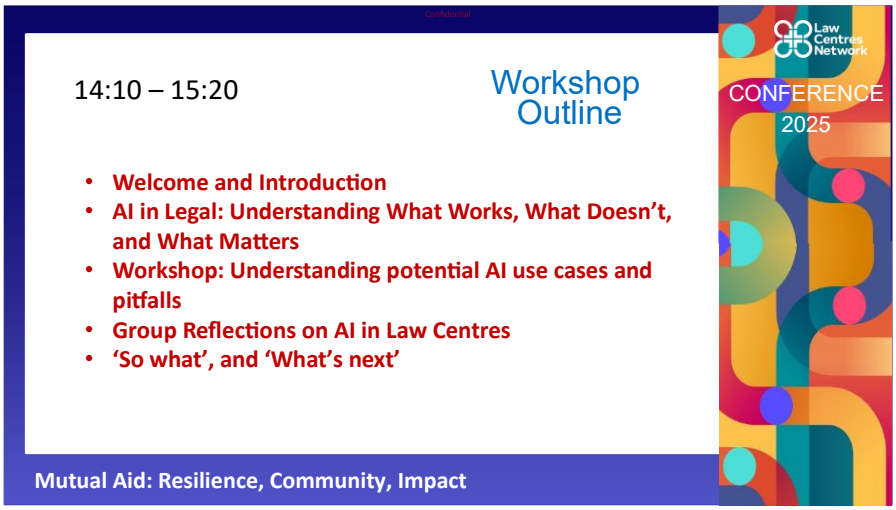


Responding to Law Centre requests for support (funded by The Legal Education Foundation)
Law Centres have long looked to LCN for support, whether in developing new approaches or resolving emerging issues. As our capacity is finite, we focus on our role as convenor – connecting those who need advice, guidance or support with those best placed to provide it, whether they other Law Centres, trusted consultants, or other partners within the sector.

An example of this approach in practice relates to a Law Centre that came to us in early 2024 with a number of challenges which, when combined, threatened its viability. Following an initial assessment by LCN staff, we commissioned a trusted consultant to conduct an in-depth review and report their recommendations. We then worked with trustees and senior staff at the Law Centre to agree a support package which included further consultancy and infrastructure support. We also convened expertise from across the Network to strengthen the management committee and mentor senior staff. Our approach ensured that the immediate crisis was resolved and, while much remains to be done, the Law Centre is in a more sustainable position. Meanwhile, those from other Law Centres who leant their support also gained experience and new skills.

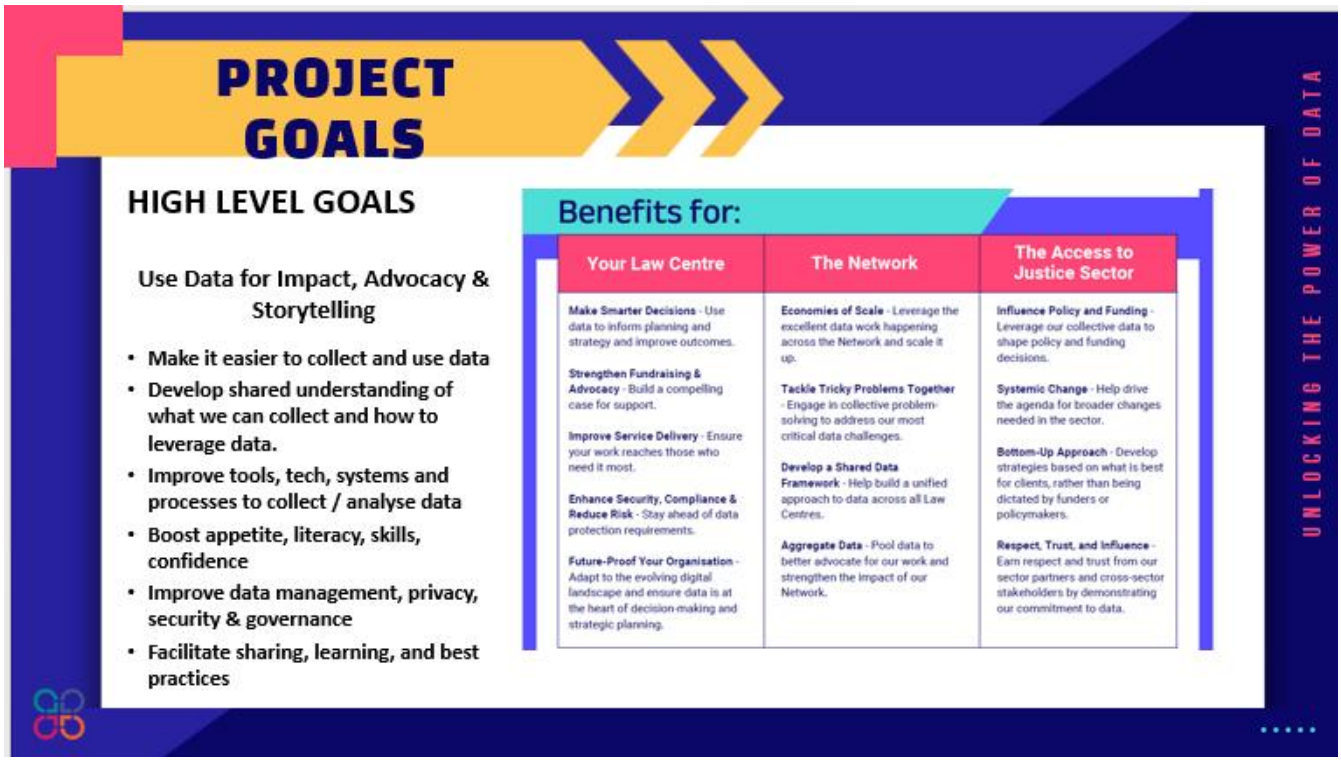
In addition to this peer-to-peer model, we also delivered 53 one-to-one support sessions, helping Law Centres to resolve a range of issues. We also delivered 10 training sessions and workshops on key topics including compliance, supervision, data maturity, AI, and legal aid contracting. Each of these was recorded and uploaded, along with accompanying resources, to our Law Centres Platform to support asynchronous learning.

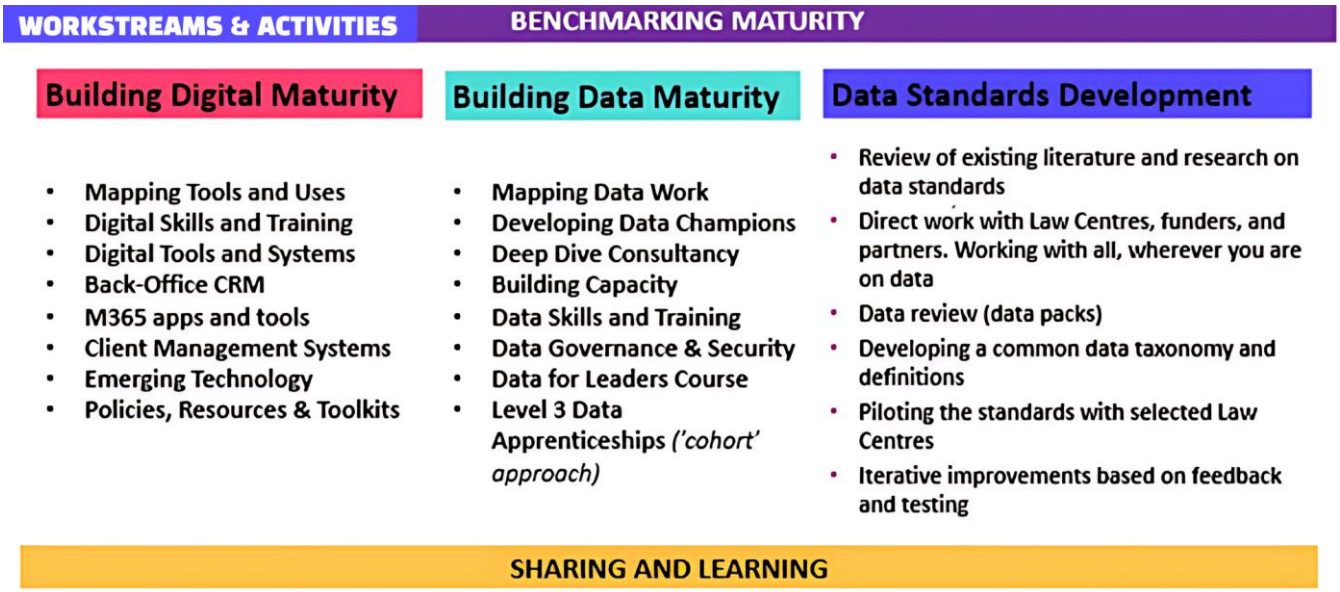
AI and Emerging Technology
We are actively monitoring developments in the application of artificial intelligence (and other technological innovations) within the legal and charitable sectors, as well as the evolving frameworks governing AI and their implications for our operations and those of Law Centres. Our organisation has prepared comprehensive guidance and training materials to support Law Centres in effectively and safely implementing AI solutions. We are piloting a range of AI tools (such as Copilot and ChatGPT) to evaluate their utility, identify areas where they provide value or fall short, and disseminate noteworthy use cases from across Law Centres and the wider legal and advice sectors within our Network. While we are cautiously optimistic about the potential efficiencies AI may introduce in the coming years, we recognise it is not a definitive solution for challenges related to access to justice. We remain committed to engaging with our members to understand their perspectives on the role and significance of AI in our field, while emphasising the indispensable contributions of legal advisors in guiding individuals through periods of crisis.



Data Project
This year saw the launch of our ambitious 'Unlocking the Power of Data' project. With data now one of our most business-critical assets, this five-year programme aims to improve Law Centres' ability to leverage data for storytelling, fighting injustice and decision-making; as well as how to effectively govern and protect our data assets.

The project aims to enhance Law Centres' understanding of data usage, emphasising the role of all the team in improving data practices. It hopes to make it easier to demonstrate how locally or regionally collected data can illustrate issues faced by Law Centres and support funding efforts, as well as contribute to internal efficiencies and impact assessment. Regardless of each Centre's current level of data maturity, the project seeks to clarify the meaning of data, key elements of effective data management, and best practices. It also strives to establish a consensus within the network regarding the purpose and use of collected data. The project has a large focus on skill development – both at leadership level: to embed improved data work within the organisational culture and strategic approach, as well as the data skills across the team: whether this be around using tools, visualizing and analysing data, protecting, sharing data etc. The initial year of the project will primarily involve research, discovery, and planning, focusing on identifying core challenges, determining areas of interest and feasibility for Law Centres, and preparing for subsequent implementation phases.





Our Progress in 2024-2025:

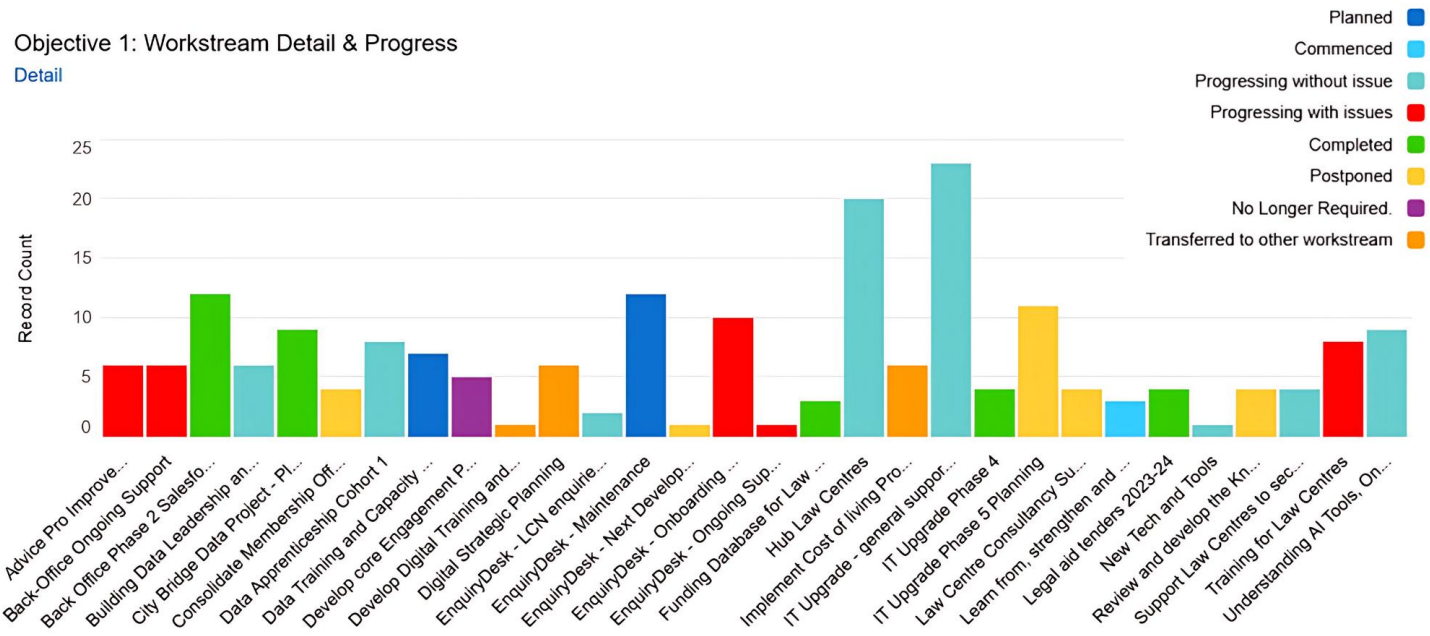


Illustration of the **impact** of this work in 2024:



Strategic Objective 2 - Strengthen the network of Law Centres



The following programmes of work were funded by:

- LCN Membership Subscriptions
- AB Charitable Trust
- Baring Foundation
- Bell Foundation
- City Bridge Foundation
- John Ellerman Foundation
- Bell Foundation
- London Legal Support Trust – PROPEL
- Paul Hamlyn Foundation
- Talent Fund
- The Legal Education Foundation
- The Law Society



Our members tell us that one of the biggest benefits of being a Law Centre is the opportunity to join with others in a combined effort to change society for the better. Although each is unique, they are all working towards the same goal, with shared challenges and opportunities. They can also do more because they're together. This objective is about convening and connecting Law Centres to leverage their shared experience and deepen their impact by working together to address systemic issues. This helps to ensure that Law Centres:

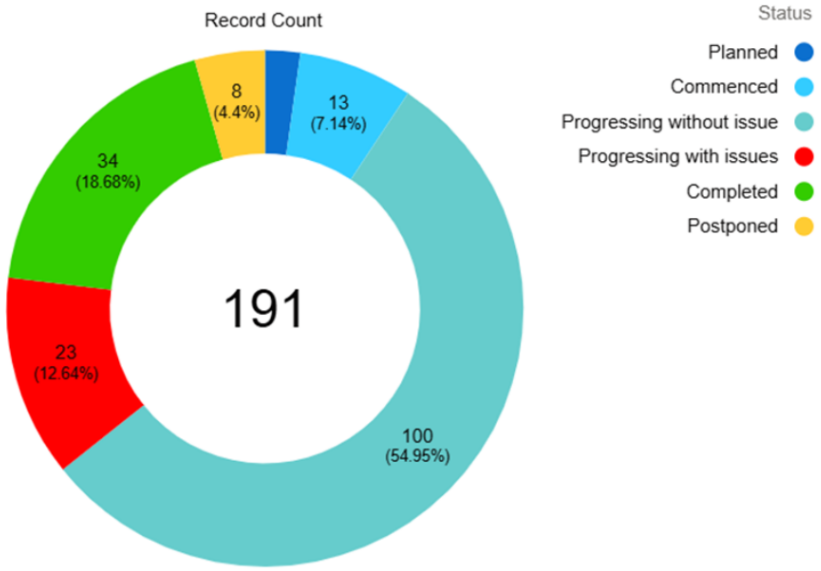
- **Offer consistently high-quality services**
- **Feel part of a movement**
- **Collaborate on strategic projects**
- **Are desirable places to work**

It also aims to make sure that LCN has the resources it needs to properly support its members. This year, we have undertaken work in the following initiatives:

Initiative Name	Description
Law Centre Engagement	Deepening LCN's relationship with Law Centres so that we have the intelligence we need to support them, convene them, and advocate for them.
Law Centre Workforce Development	Supporting Law Centres to attract, recruit, develop and retain the staff they need.
LCN Conference	Holding an annual conference to bring together Law Centres around shared challenges and interest areas, building community and action planning on how as a Network we can grow and thrive.
LCN Data	This is about building the data maturity of LCN to ensure we have the right skills, tools, leadership, culture and governance to collect, analyze and draw, as well as share, insights from the important data we hold on our operations and Law Centres' legal work.
LCN Finances	This is about ensuring LCN has the financial resources it needs to deliver its objectives and ensuring the organisation is financially resilient
LCN Governance	This is about ensuring LCN has the relevant governance infrastructure to ensure the effective running and stewardship of the organisation.
LCN Website	This is about designing and improving LCN's website through agile iteration.
LCN Workforce Development	This is about ensuring LCN has the workforce it needs to deliver on its objectives.
Member's Platform	This initiative is about developing a platform for members and LCN to share information and engage with one another.
New Law Centres	This is about increasing the coverage of Law Centres across the country. The work is mainly reactive but with more capacity can allow for more proactive activity to build up Law Centre presence, particularly in so called 'advice deserts'.

Our **progress** and **impact** are illustrated below.

OBJECTIVE 2:
OVERALL TASK STATUS



Some HIGHLIGHTS in 2024-2025

Workforce Development

As the UK struggles through tough times, this is keenly felt in Law Centres, who help those worst affected. Our network-wide employee assistance programme reflects the toll this takes on Law Centre people. This year, nearly two-thirds of the colleagues who have used it have accessed counselling, with anxiety being the most common complaint, in 2 in 5 of cases. We are glad to be able to offer this resource, which also offers confidential advice, guidance and a wellbeing portal.

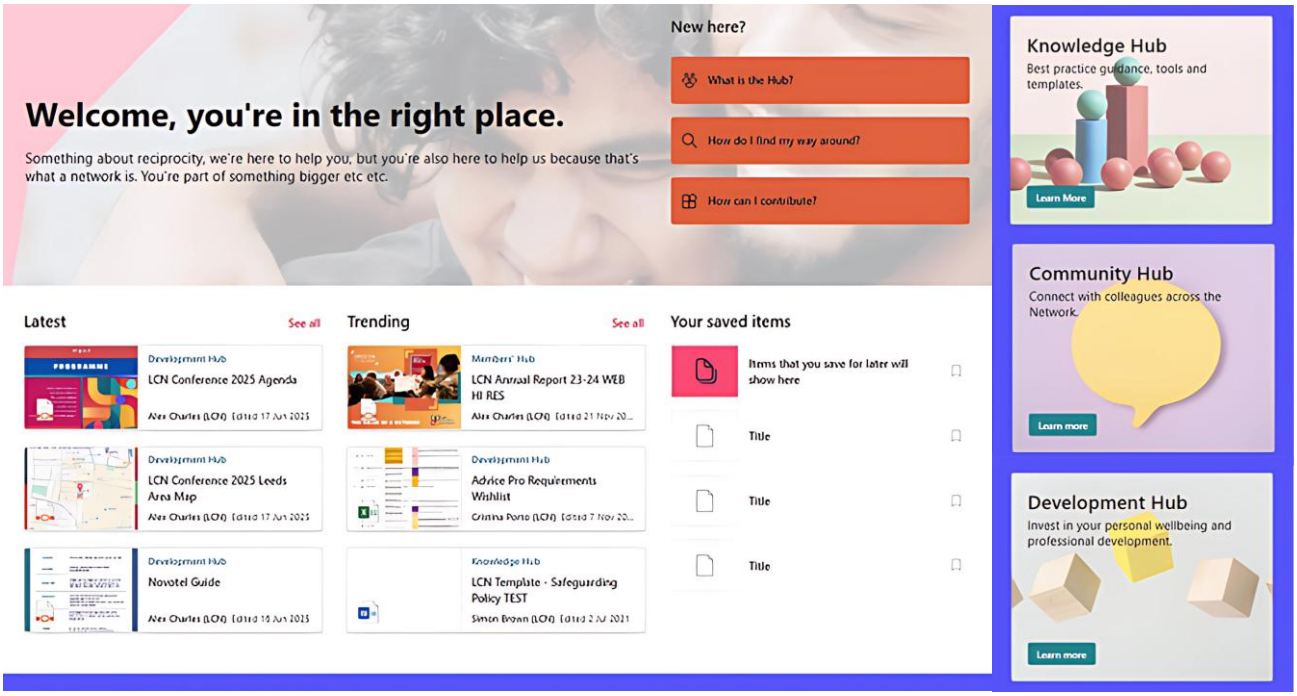
In these conditions, workforce development continues to be among our biggest challenges. Building on previous scoping work, this year we continued to explore it with Law Centres, sector colleagues, funders and the Legal Aid Agency. Thanks to the Propel programme, we have secured funding to work with five London Law Centres over the next three years. This has allowed us to recruit a cohort of seven apprentice solicitors to increase access to justice in the capital, while testing new approaches to recruitment, training and retention. We will share our learnings nationwide as we continue to seek additional funding to address the different challenges of Law Centres outside of London.



Developing a Law Centres' Hub (Members' Platform)

Several years ago we developed the concept of a 'Law Centre in a Box'; a virtual toolbox containing everything you would need to effectively run a Law Centre. Building on this we launched the Law Centres' Platform in 2021; an online space where Law Centre staff and volunteers could connect and learn.

Although elements of the Platform proved successful, the bespoke architecture meant that resolving bugs or adding new features required costly developer expertise. Users also reported that they disliked leaving their native workspace (Microsoft365) to access the tool. Finally, we wanted to create more and better ways for Law Centre staff to connect to their peers and share good practice. In 2024-25 we have developed the Law Centres' Hub:



Built within M365 the Hub is more accessible for users, easily maintained and developed by LCN staff, and features and security are supported by Microsoft and our IT partners. Due to launch later in 2024, we are excited to develop the Hub in partnership with Law Centres, adding new content and functionality over time.

New Law Centres

As a movement for change we continue to grow. Over the last year we have streamlined our application and on-boarding process for prospective members, greatly reducing the administrative burden and providing a clearer pathway to Law Centre status.



In November 2024, we welcomed Leeds Citizens Advice to be now known as Leeds Citizens Advice and Law Centre. As an opening act of support for the network of Law Centres, Leeds will host our 2025 Annual conference in June 2025.

Law Centre Spotlights

Each month during 2024-25 we highlighted best and emerging practice in Law Centres through online Spotlight sessions. Each 'lunch and learn' session was open to all Law Centre staff and volunteers and

included a short presentation followed by a group Q&A. Staff from a variety of roles presented innovative and creative approaches to legal practice and a wide range of shared problems and priorities. Topics included education law, health justice partnerships, trauma-informed supervision, and supporting Roma communities. Through these sessions we aim to highlight innovation, promote curiosity, and increase peer-to-peer support and learning.



LCN Governance
With the expertise and many hours of work from Allen & Overy Shearman, LCN has competed its revised Articles of Association which has also been approved by the Charity Commission.

In addition to the revised Articles, the Membership Agreement is being rewritten to sit alongside the new Articles. Like the Articles, the purpose of the Agreement and the criteria of membership will remain the same, but it will more clearly set out what it means to be a member of the network of Law Centres.

Both documents will be presented to the 2025 AGM for adoption.

LCN Data
Having adopted the new Theory of Change and agreed the next 5 years' strategic plan, LCN has put considerable work into collecting the data that can evidence our progress and impact against the Theory of Change and Strategic Plan. The graphs throughout this report are produced by LCN's Salesforce implementation developed to collect the data and other evidence to monitor and report on our work. It is a long and slow process and not finished yet. We will continue to develop the data we collect as we better understand how we should measure our impact.

Data is a critical resource for LCN, Law Centres and most other organisations. Consequently, the governance of data, its security and the protection of privacy are now major areas of concern. LCN has Cyber Essentials accreditation and assists Law Centres to become accredited. Data governance is an area of work that continues to grow and will be a major focus in coming years.

Developing LCN's and Law Centres' data maturity is a key project for the coming 5 years supported by the City Bridge Foundation.

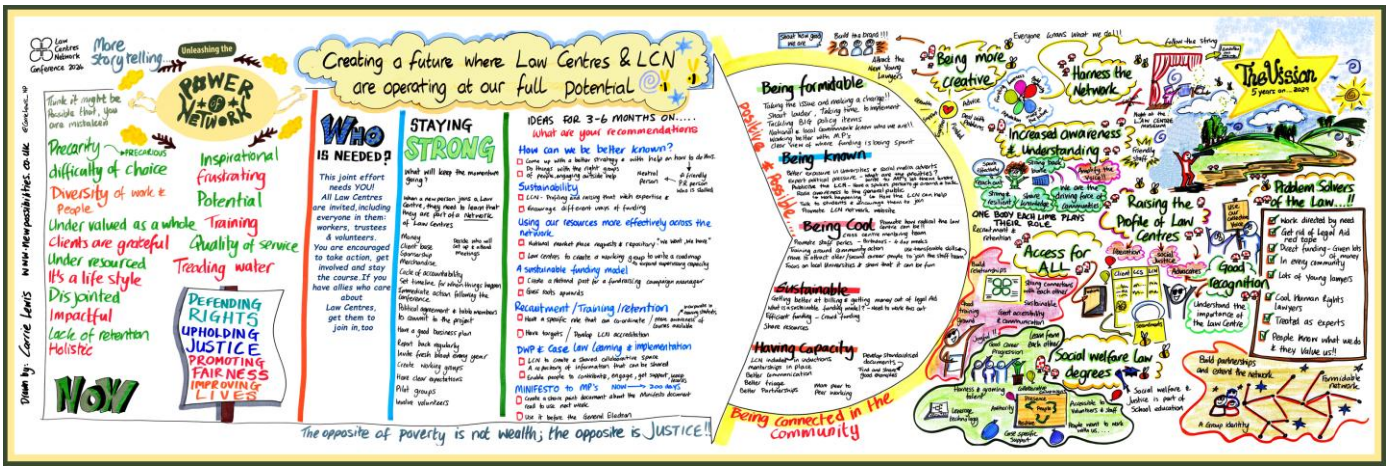
Cybersecurity
With the ever-growing increase and risk of cyber-attacks, especially directed at legal and charitable organisation, we have ramped up our efforts to help our members stay safe. A big part of this involves achieving our own Cyber Essentials accreditation each year and supporting Law Centres to do the same. This

year, we helped 13 Law Centres secure Cyber Essentials or Cyber Essentials Plus and have developed guidance and policies to help ensure ongoing compliance. We undertook third-party independent testing of the setup and configuration of our National Microsoft 365 tenant to identify and act on any improvements to bolster security. We ran regular simulated phishing attacks improve our cybersecurity posture by educating employees on how to identify and respond to real-world phishing attempts. Our Network Information Governance working group has also met regularly thought the year to improve policies and procedures around accidental data loss and data breach.



National Conference 2024 – Unleashing the Power of the Network

The National Conference was held in Birmingham in June 2024 attended by 108 delegates.
The 2 days of conference was captured by the illustration below.



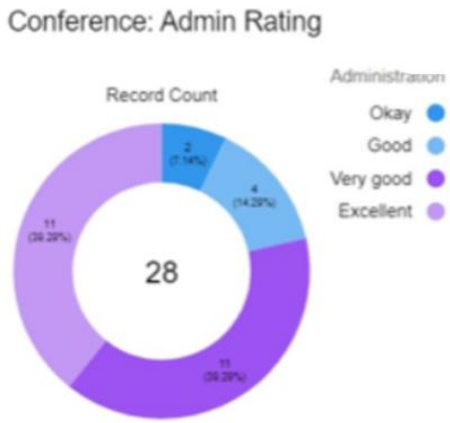
FEEDBACK FROM DELEGATES

(28 responses)









Our Progress in 2024:

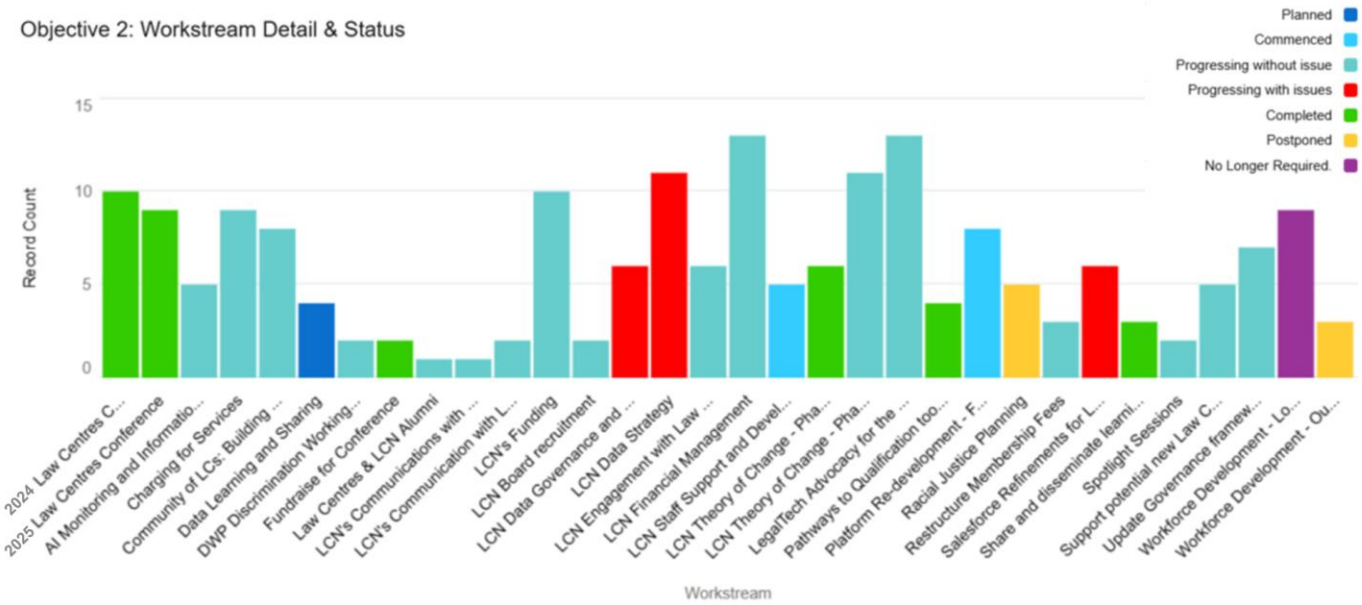
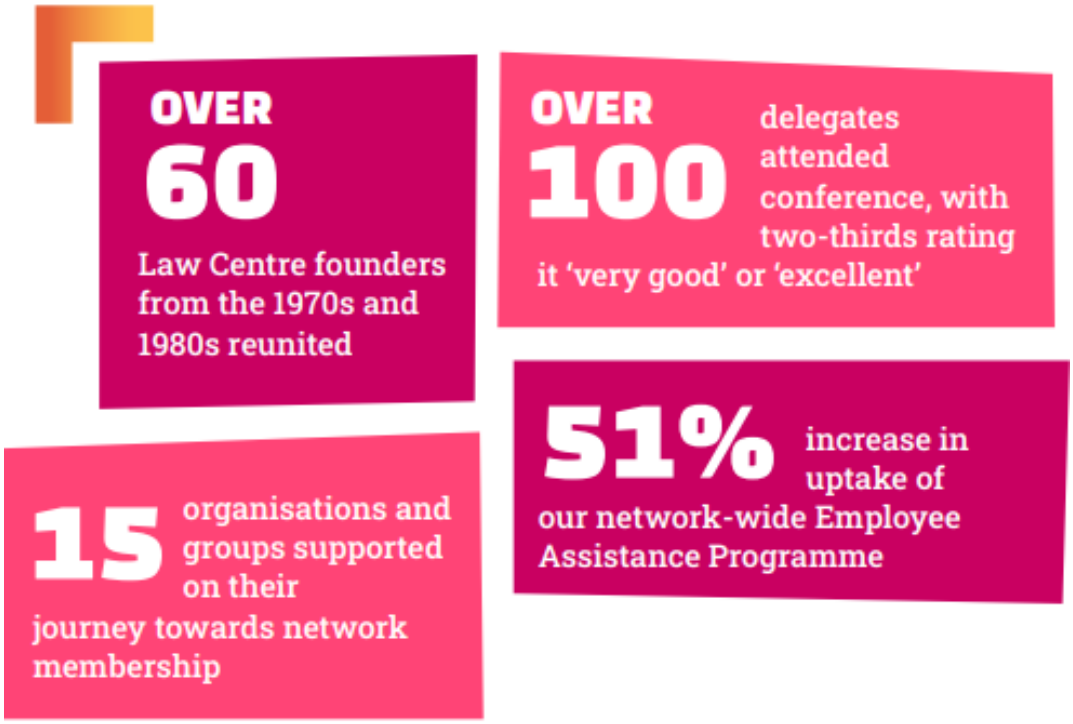


Illustration of our **impact in 2024**:



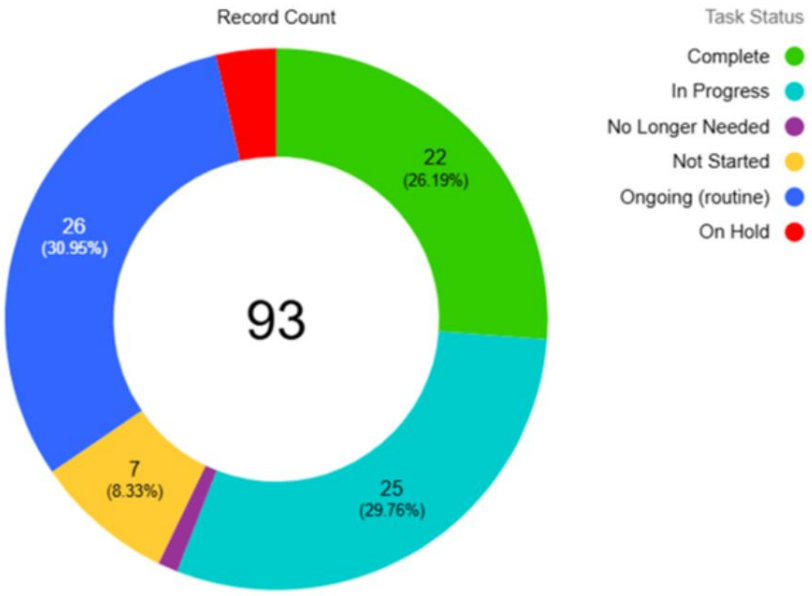
Strategic Objective 3 - Amplify the collective voice of Law Centres



The following programmes of work which was funded by:

- LCN Membership Subscriptions
- Esmée Fairbairn Foundation
- John Ellerman Foundation
- The National Lotteries Community Fund – Awards for All

OBJECTIVE 3:
OVERALL TASK STATUS



To bring about a just and equal society, we need to work toward social change. To affect social change, we know that Law Centres must not stick to their proverbial knitting. Rather, we need to engage the public with what Law Centres' work teaches us about the change that our society needs. To do this well, LCN has identified as one of its key objectives the raising of Law Centres' profile, which in turn would enable us to amplify their advocacy voice.

Pursuing this, LCN aims first to establish Law Centres' standing in the discourse on social reform. We make people aware of Law Centres and what they do, emphasising their professionalism as law practices, their strong roots in their respective communities, and their places in a wider, longstanding movement. This then creates space for LCN to speak out more effectively: convey their clients' voices, to point out injustices and how they can be righted, and to support their arguments with data and expert analysis.

There are two distinct but overlapping parts to this work, the first is focused on policy and direct advocacy, and the second on communications (public advocacy), profile raising and building Law Centres' brand's recognition – that is, people's understanding of what we stand for and why they should listen to us. Last year, these were borne out in four high level areas of work.

To achieve this, we are undertaking the following initiatives:

Initiative Name	Description
Access to Justice Policy	Advocating with the government and other stakeholders for a fairer access to justice policy, beyond legal aid: this includes commissioning legal support services, maintaining the justice system's accessibility to vulnerable people through court reform and digitalisation, ensuring that new forms of dispute resolution better meet legal needs, and that legal service regulation is proportionate and enabling.
Civil Legal Aid Policy	Advocating with the government for better civil legal aid policy: more inclusive scope and eligibility, greater availability across the country, more streamlined processes and fairer remuneration - as well as greater infrastructure investment in local offices and the legal aid workforce.
Communications - External	This initiative covers LCN approach for raising the profile of Law Centres and their work externally and includes LCN's website.
Law Centre Branding	This is about developing and sharing the Law Centre branding material.

Communications - Law Centres	This initiative covers LCN approach for building Law Centres' capacity and skills around communications, including how LCN communicates with Law Centres
Law Centre Data	This is about analysing and using Law Centres' data to tell the story of what Law Centres see everyday, to highlight their unique contribution to access to justice and to make them better known.
Social Justice Advocacy	Collective heading for LCN's advocacy work on issues relating to Law Centres' work that are beyond the justice portfolio: these include migrant rights and migrant support, renters' rights and access to redress, workers' rights, disability rights and overall human rights.
Overcoming Language Barriers to Access Justice	The project will use LCN's policy expertise together with that of the partners to help remove barriers that prevent people who speak English as another language to access justice. We will use LCN's membership of various reference and advisory groups with Ministry of Justice (MoJ) and His Majesty's Court and Tribunal Service (HMCTS) to identify and advocate for changes required to services (including digital tools) to enable better access to the justice system. We will also work with the partner Law Centres to identify systemic barriers at a local level and identify and advocate for the change needed.

Highlights for 2024 - 2025

This year has been clearly affected by the UK general election, the change of government and our new national and international context. In public policy terms, the election and, to a lesser extent, the autumn statement shortened the year. It also drove some course adjustments as the new government's priorities changed, purse strings were tightened and expectations were managed. Against this background, our advocacy impacts this year are all the more appreciated.

Influencing to make **legal aid** more sustainable:

- LCN and Law Centres contributions earlier have led to critical findings and recommendations for comprehensive change in the government's Review of Civil Legal Aid, or **RoCLA**.
- LCN has lobbied ministers and officials for improving legal aid terms and investing in it. New government has renewed its commitment to legal aid, and has consulted on proposals for increasing **immigration and housing legal aid fees** by £20m per year. These categories are not only those in most immediate need of support, they are also the two most common practice areas for Law Centres. The fee increase is now awaiting implementation.
- LCN has collaborated with others to support a legal challenge to the terms of the **welfare benefits legal aid** contract. The new government has settled the case and escape fees are now available for welfare benefits legal aid cases. This has particular benefit for Law Centres, that make up over half of welfare benefits legal aid providers.

Advocacy to expand **access to justice** supports:

- LCN was invited to take part in the **Legal Support** Strategy Delivery Group, led by the justice minister, which aims to bring the legal and advice sector together to influence how the much smaller funding scheme can best support more legal assistance. Law Centres, we want to build on our previous advocacy to keep funding levels at least comparable to those of recent legal support funding.
- Following advocacy from LCN and other groups, the new government has agreed to extend the exemption of housing cases from the civil courts' **Fixed Recoverable Costs** regime. The three-year extension is longer than the original two-year period. The housing exemption is important to the economics of legal aid housing practices. It is also key to upholding the rights of tenants to a live in decent rented homes and not in neglect and disrepair.
- **Represented Law Centres'** interests and voice with policymakers, decision makers and parliamentarians at national level, meeting new ministers several times, and responding to four consultations in a policy year shortened by the election. Also being external stakeholders' first point of

contact with our wider network, e.g. as the Cabinet Office considered updating Equality Act provisions.

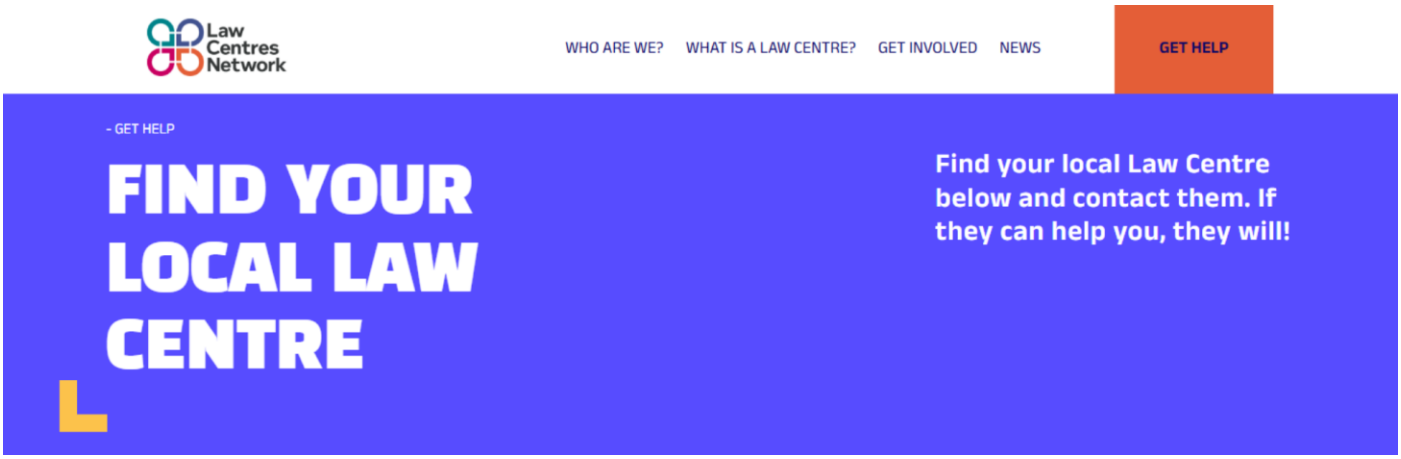
- Undertook **upstream influencing** work by informing other representative bodies' submissions where we have no capacity to engage directly (the Treasury's Spending Review consultation) or where we are not directly consulted (legal aid contract conditions), and contributing to a short-term applied academic project on strengthening the rule of law.

Policy work in support of **other objectives**:

- Since the general election, guided Law Centres on how to **engage their local MPs**, most of whom were newly elected, and build supportive relations. This included general guidance on methods, positions and messaging; template documents (e.g. letters to MPs urging a charity exemption from NICs); individual background briefings; and other direct support.
- Provided **advocacy support** to several collaborative LCN and Law Centres projects: countering discriminatory practices by DWP, supporting the rights of victims of crime with language needs, testing out hub approaches to Law Centre services and others.

WEBSITE – GET HELP PAGE

Last year LCN launched it's new website with view to continue to develop sections of the website as funds became available. This year, with a grant from the National Lotteries Community Fund - Awards for All – we commenced work on enhancing the *Get Help* page.



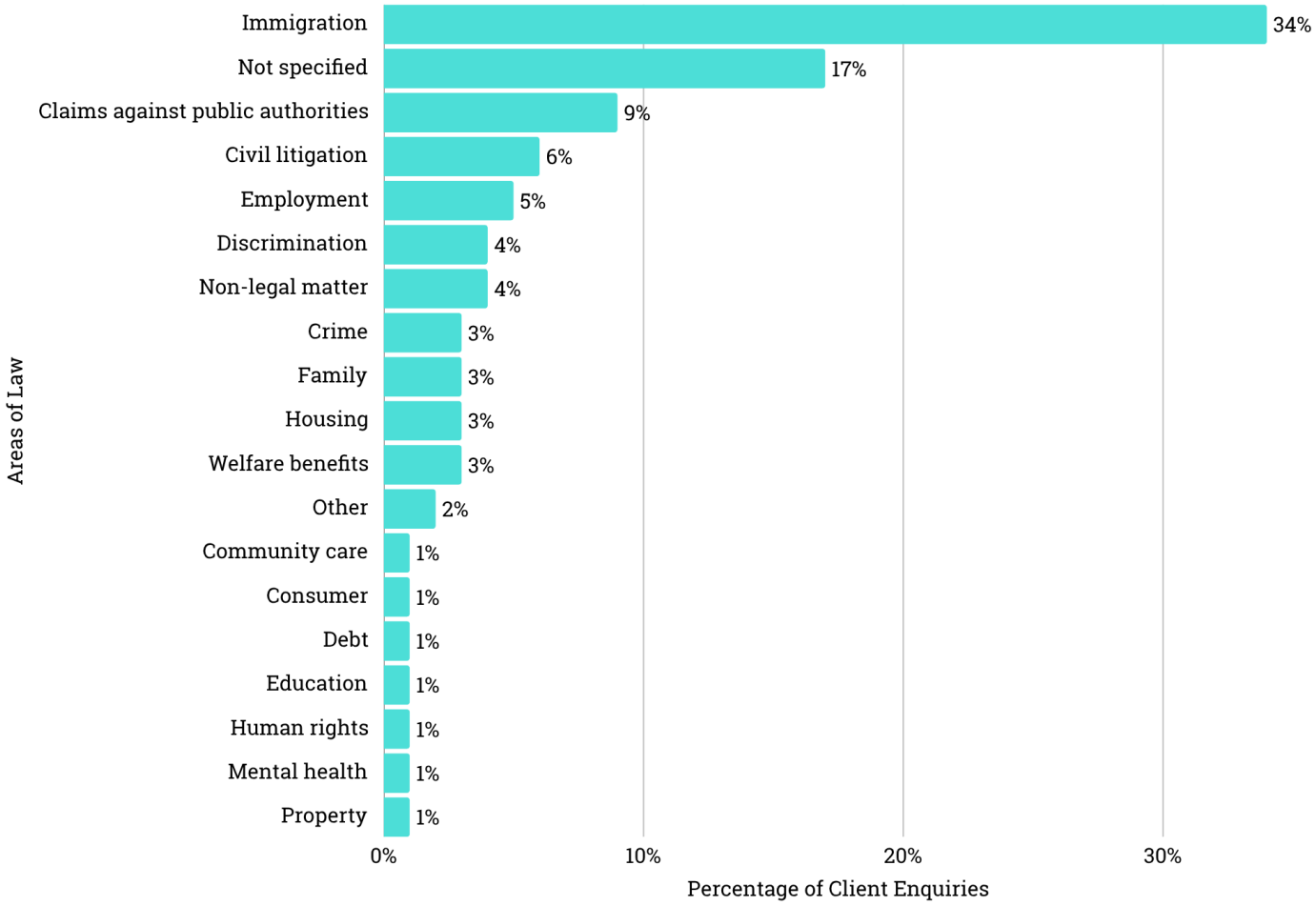
The *Get Help* page is an important resource that aims to help people find the help they need.

LCN cannot provide legal advice but each day we receive enquiries from people desperate for assistance.

In 2024-25 LCN received the following enquiries:

ENQUIRIES: 2844

CLIENT ENQUIRIES: 2020



Communications Highlights

This year saw a shift in LCN's comms, particularly around the use of social media. LCN made the decision to leave X on 3rd February 2025. Prior to this, a Bluesky account was set up in December 2024.
A 'Being Better Known' briefing (an overview of the network's comms setup and capacity) was drawn up in response to the Law Centres Conference in 2024. This and a draft communications plan has fed into a larger upcoming piece of work: an LCN communications strategy setting out LCN's priorities and key messages

Analytics: social media, newsletter analytics, media requests, media coverage
Full year social media and newsletter analytics collected this quarter. Comparisons with previous years show:

- Supporters Newsletter: subscriber growth of 24.4% in 2024–25 compared to 10.94% in 2023–24 and 5% in 2022–23
- LinkedIn: follower growth rate of 32% in 2024–5 compared to 36% in 2023–24 and 27.3% in 2022–3. LinkedIn followers have more than doubled since 1 April 2023
- Facebook follower growth rate of 1.6% in 2024–5 compared to 4.5%in 2023–24 and 3.4% in 2022–3

Media requests

- 31 media requests (both reactive and proactive) in 2024–5. 8 resulted in published coverage (26%)
- 24 media requests (both reactive and proactive) in 2023–4. 10 resulted in published coverage (42%)

Media coverage

- 94 Law Centre/LCN media appearances in 2024–25
- 62% media appearances were in national rather than local outlets
- LCN was involved in 18% of the coverage
  Coverage included:
- KCAL's DWP discrimination case which made national news.

- Housing court duty schemes with Bradford Law Centre staff and clients featured in the published article
- Feature on Law Centres and poverty made the front cover of The Law Society Gazette Magazine November edition which included 16 Law Centre spokespeople. Covid 19 inquiry and other features in Gazette throughout the year
- BBC One Morning Live. Filmed at Greater Manchester Law Centre, and with a client at Bristol Law Centre which also resulted in a short film on litigants in person

Supporters Newsletter

- 12 editions this year: see summary.
- Editions ranged from Southwark Law Centre's Homeless Patients Legal Advocacy Service, KCALC's DWP discrimination case, LCN's Victims of Crime report and Law Centre perspectives on disability benefits cuts

Website news posts

- 21 in the past year. See summary.

London Marathon fundraiser

- Selected LCN's runner, designed an LCN-branded running top and set up a fundraising page for a campaign which raised £1360

Bulletins

- Kept Law Centres in the loop with weekly Bulletins across the year comprising updates, events and more

Supporting Law Centre comms:

- Established and supported Communications community of practice (CommsNet) with 5 meetings
- Inform Law Centres with communications news, training and tools and shared resources
- Created an awards calendar for Law Centres to encourage nominating staff
- Law Centre award nominations
- Branding -New logo and brand guidelines our Citizens Advice members who are Law Centres.

Social media round-up

- Promoted LCN's policy positions (and legal aid) in the following examples:

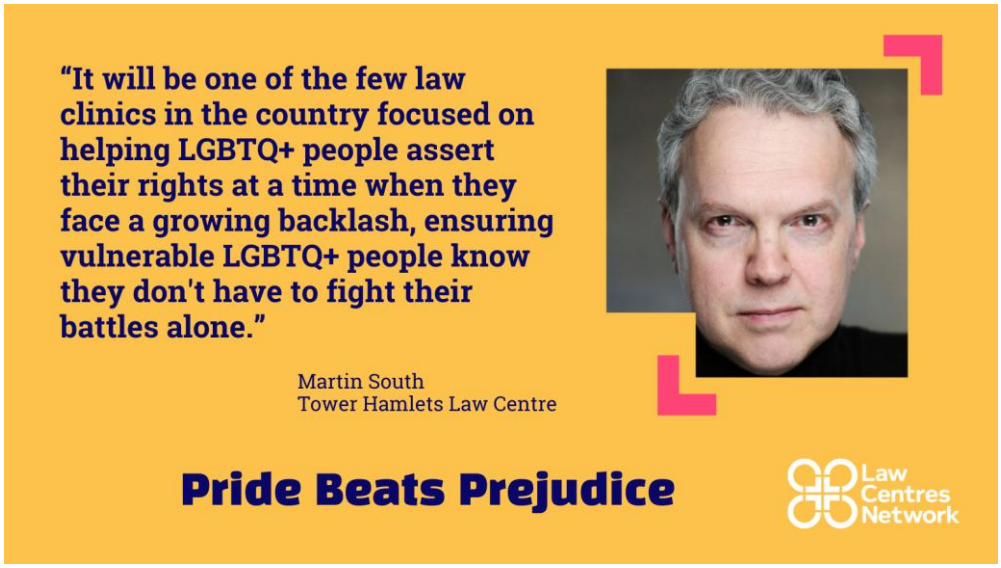



The value of legal advice
• Spend to save: investing in free legal advice could save the Treasury up to £12 billion in the next 10 years.
• A stronger society: higher employment rates, fewer people in insecure housing, improved health and wellbeing, and reduced reliance on benefits.

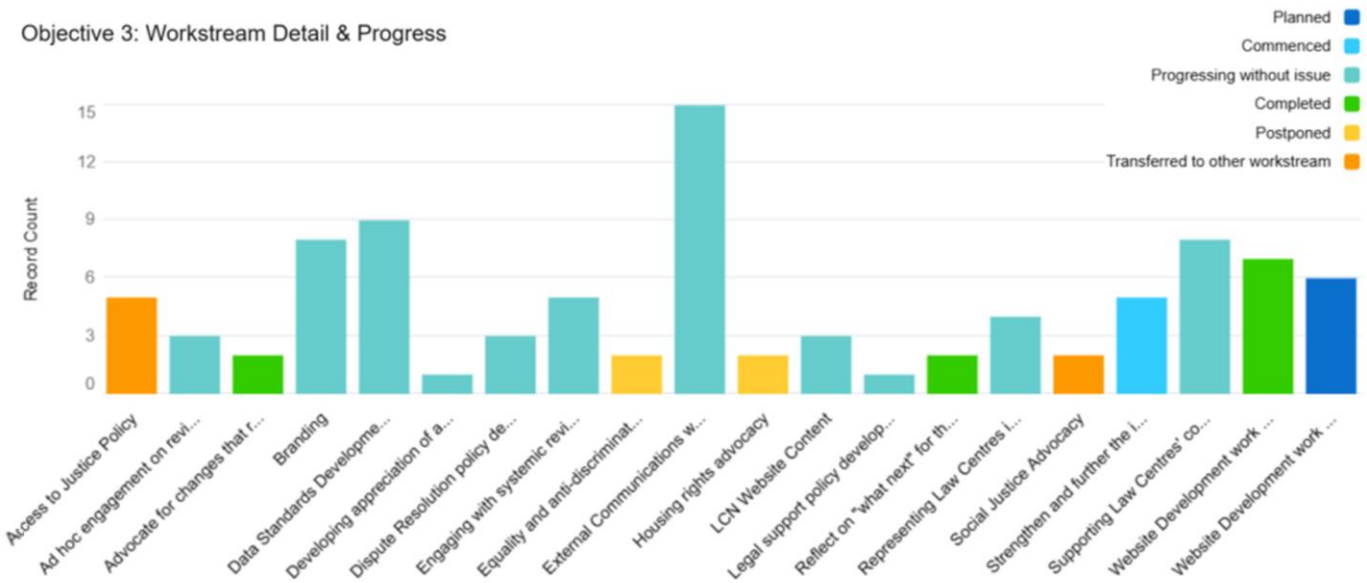

Originally a volunteer for Shpresa Programme, Esme Madill supported Albanian children and young people to find lawyers to represent them in their asylum claims.
As this became more difficult, Esme made it her mission to help meet this need by training as a lawyer herself.
Esme is shortlisted for a legal award
Law Centres Network


"This report exposes how the UK's immigration system has unfairly targeted the Windrush Generation for decades, revealing deep-rooted racism in the way policies were made.
"Many have suffered, and some are still waiting for justice. It's time for the government to right these wrongs and ensure this never happens again."
Nana Adusei
Southwark Law Centre
The Historical Roots of the Windrush Scandal report
Law Centres Network





Progress made throughout the year on Objective 3:





The Future - the next 10 years

The simple reality is that the speed of change is such that detailed planning for any longer than 6-12 months is often of very limited value as the staffing, funding, political and technological environment changes at a pace which means that strategic and operational planning need to be agile and adaptable (to ensure that opportunities are taken and that risks are managed and mitigated).

For this reason, LCN has changed its approach to business planning. Instead of annual reviews, we have implemented a 6 monthly review process. At each review, detail for the coming six months will be updated and the plan will be extended so that it always looks at least three years into the future.

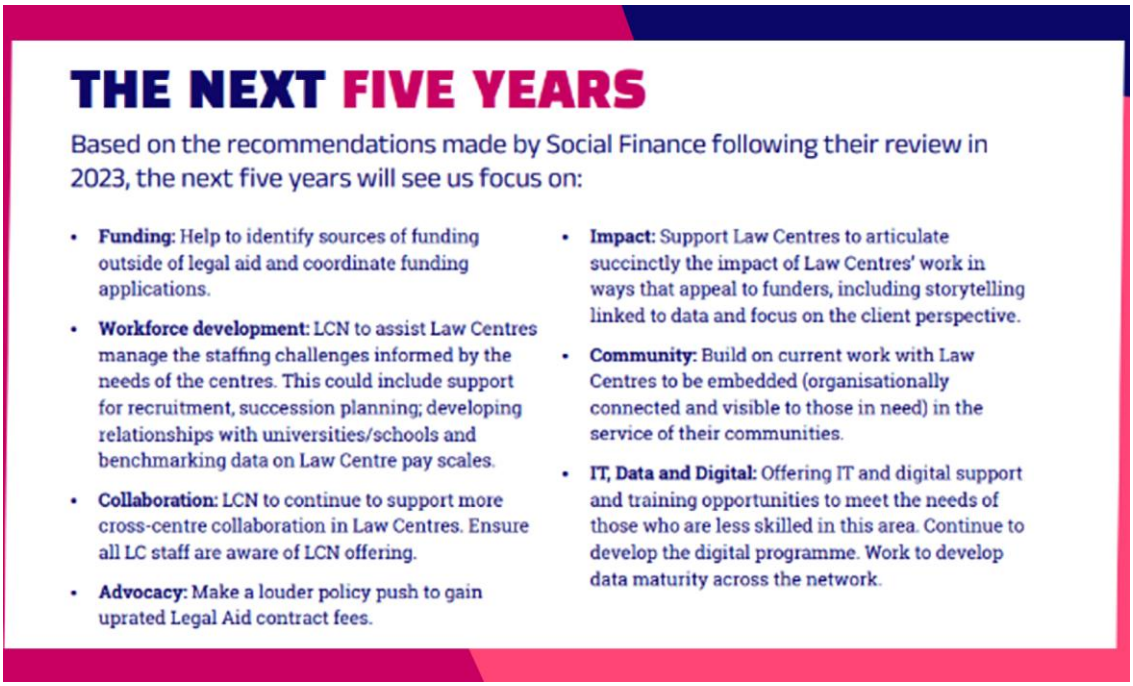
In December 2019 LCN set out a longer term (10 years) outlook for Law Centres and for LCN. This gives us a clear sense of direction and aspiration. In early 2025 we reviewed the 10 year outlook. Below is our ambition:

Our 10-year ambition is that we work towards:

1. The national network of Law Centres will have grown to at least 50 Centres;
2. All Law Centres will be resilient and secure with access to the latest technology and able to meet community needs and expectations;
3. Law Centres will be recognised as rights-based organisations working with local communities to use the law as a tool for change;
4. LCN will remain at the heart of the network providing an increased range of support services to Law Centres and recognised nationally as the voice of Law Centres and a champion for access to justice and social change.

The next 5 years

LCN's new strategic plan based on the updated Theory of Change has identified that in the coming 5 years we will focus on the following:



The Year Ahead - 2025/2026

Following the external review of LCN and the continued focus on our new Theory of Change, in 2025-2026 LCN aims to continue to work towards the following 3 objectives:

1. Help Law Centres to thrive – getting more help to people in need

2. Strengthen the network of Law Centres – solving bigger problems together

3. Amplify the collective voice of Law Centres – speaking out for change

We will also further develop our monitoring and evaluation framework. Considerable progress was made this year, but that work will be implemented in the coming year.

Fundraising Practice

As for many charities, raising voluntary funds from trusts, foundations and individuals is a vital source of income for LCN, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

LCN believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. LCN is registered with the Fundraising Regulator.

LCN operates with a small internal fundraising team. LCN does not, nor will not, engage in face-to-face or telephone fundraising. LCN has received no complaints about its fundraising activities either during the financial year or subsequently.

GDPR and Cyber Essential

LCN continues to monitor our compliance with GDPR. LCN's Privacy Policy, published on our website, clearly states what personal data LCN will hold in relation to supporters and how this data will be used. It also sets out how individuals can raise concerns or complaints. In 2023-2024, we undertook the work to be certified as having met the Cyber Essential standard.

Financial review

The total net incoming resources for LCN were £48,874 (2024: incoming resources £32,386).

LCN had a net deficit on unrestricted funds of (£9,467). Together with the accumulated surplus brought forward from previous years, the charitable company now has unrestricted funds of £89,432 (2024 £98,899).

Our main source of unrestricted funds continues to be from subscriptions from Law Centres and donations. In addition, a contribution this year of £7,683 (2024: £5,483) as gifts-in-kind was generously provided by several law firms.

Restricted funds carried forward on 31 March 2025 amounted to £272,643 (2024: £214,302) This is sufficient for the activities for which the funds were provided.

Reserves policy

The Executive Committee has considered the following factors when considering a reserves policy:

- the organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- the organisation's obligation to maintain a safe and clean working environment;
- that certain equipment is essential for our work;
- that an increasing proportion of the organisation's income is now derived from fixed term project grants.

The Executive Committee agreed that LCN should aim to maintain unrestricted funds equal to six month's core service running costs. This amounts to £177,000 The current level of unrestricted reserves is £89,432 at Balance Sheet date. This is sufficient for LCN to run for 3 months.

The level of unrestricted reserves and available cash is sufficient for LCN to meet its obligations should it cease trading. The Executive Committee has budgeted to break even in the coming year. LCN aims to build reserves to the level they believe is prudent given the current circumstances in the UK.

Going Concern

At its meeting on 14 July 2025, the Executive Committee considered whether LCN will be a going concern for the coming twelve months. The EC was provided with draft end of year accounts, Quarter 1 2025-2026 Management Accounts including the Balance Sheet, revised budget 2025-2026 and budget projection for 2026-2027, cash flow projections to April 2026 and LCN Fundraising Strategy. They also considered Charity Commission Guidance as well as Guidance from the Auditors.

The EC discussed whether LCN has sufficient reserves to cover its liabilities should it have to close; they assessed whether the documents indicated that LCN is on sound financial footing for the immediate future. They considered the Reserves policy, how LCN manages its finances, its staffing requirements, its charitable objects, its strategic plan, its obligations to funders, the safeguards it has in place to protect against fraud, its leases and premises, and our current banking arrangements. Importantly the Committee considered the current funding climate. They asked whether LCN is robust enough to address unexpected situations. Finally, they discussed the likelihood of the number of Law Centres increasing or decreasing in coming years and what impact that would have. It was also asked whether LCN had considered merging with other charities. It was agreed that the Finance Sub-Committee

should monitor cashflow and funding opportunities on a regular basis alongside the finance reports. It was agreed to review going concern at each EC meeting.

The Executive Committee agreed that LCN is a going concern until the end of 2025. They also noted that it needs to continue to secure core funding so that its financial position will be stronger in coming years.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Law Centres Federation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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; and
- 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.

Events since the end of the year

In the opinion of the Executive Committee no event since the balance sheet date significantly affects the company's financial position. However, the Executive Committee is continually monitoring LCN's current and future finances.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the Charity and its members, together with the review of Going Concern discussed above, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Approved by the Executive Committee on 13 October 2025 and signed on its behalf by:



Helen Rogers
Chair of Trustees

Opinion

We have audited the financial statements of Law Centres Federation (the 'Charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our 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.

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 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 reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- 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. 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

Anthony Epton

Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

15 October 2025

LAW CENTRES FEDERATION

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

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Income and Endowments					
Donations	**2a**		152,219	**152,219**	125,489
Charitable activities	**2b**	602,035	341,647	**943,682**	965,738
Investments			520	**520**	478
Other	**2c**		26,854	**26,854**	5,273
Total		**602,035**	**521,240**	**1,123,275**	**1,096,978**
Expenditure on:					
Raising funds	**3**		37,583	**37,583**	50,853
Charitable activities		568,819	467,999	**1,036,818**	1,013,739
Total		**568,819**	**505,582**	**1,074,401**	**1,064,592**
Net income/(expenditure)		33,216	15,658	**48,874**	**32,386**
Transfers between funds	**10**	25,125	(25,125)	-	-
Net movement in funds	**10**	**58,341**	**(9,467)**	**48,874**	**32,386**
Reconciliation of funds:					
Total funds brought forward		214,302	98,899	**313,201**	**280,815**
Total funds carried forward		**272,643**	**89,432**	**362,075**	**313,201**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The accompanying notes form part of these financial statements.

LAW CENTRES FEDERATION

Balance sheet

As at 31 March 2025

	Note	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	**9**	-	224
		-	224
Current assets			
Debtors	**7**	101,010	135,208
Cash at bank and in hand		397,763	372,417
Total Current Assets		498,773	507,625
Creditors: amounts falling due within one year	**8**	(136,698)	(194,648)
Net current assets		**362,075**	**312,977**
Net Assets		**362,075**	**313,201**
Funds	**10**		
Restricted funds			
In surplus		**272,643**	**214,302**
Unrestricted funds			
General fund		**89,432**	**98,899**
Total funds		**362,075**	**313,201**

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

Approved and authorised for distribution by the Executive Committee on 13 October 2025 and signed on its behalf by

Helen Rogers
Chair

Victor McAllister
Treasurer

The accompanying notes form part of these financial statements.

Company no. 2433492

LAW CENTRES FEDERATION

Cash Flow Statement

For the year ended 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities:		
Net cash provided by / (used in) in operating activities	**24,826**	76,183
Cash flows from investing activities:		
Interest income	**520**	478
Net cash provided by investing activities	**520**	478
Change in cash and cash equivalents in the reporting period	**25,346**	76,661
Cash and cash equivalents at the beginning of the reporting period	**372,417**	295,756
Cash and cash equivalents at the end of the reporting period	**397,763**	**372,417**

Analysis of cash and cash equivalents

	2025	2024
	£	£
Cash in hand	**397,763**	**372,417**
Total cash and cash equivalents	**397,763**	**372,417**

Analysis of changes in net debt

	01 April 2024	Cash flows	31 March 2025
	£	**£**	**£**
Cash	372,417	**25,346**	**397,763**
Total	372,417	**25,346**	**397,763**

Notes to the financial statements

For the year ended 31 March 2025

1.1) Accounting policies

Basis of Preparation

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when there is entitlement, it is measurable and receipt is probable. Intangible income is recognised as a gift in kind where the provider of the service has incurred a financial cost and is valued at the value to the charity. Income is deferred when it relates to a specific later period, or there are conditions yet to be fulfilled for entitlement.

c) Subscription income from Law Centre members is recognised in the year in which it relates.

d) Gifts in Kind reflect the costs of rooms, catering and staff support from Law Firms and other suppliers to promote seminars, training and advice sessions conducted by Law Centres Federation as well as pro bono legal advice provided to LCF. Gifts in Kind are either valued by the suppliers undertaking the work or, where this is not immediately obtainable, by taking a reasonable estimate of the length of time involved in doing the work multiplied by the Standard London pro-bono rate.

e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

f) Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

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 is an estimate, based on staff time, of the amount attributable to each activity.

- Direct service provision
- Cost of generating voluntary income
- Governance costs, which are included within support costs, include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

g) The costs of generating voluntary income relate to the costs incurred by the charity in raising funds for the charitable work.

h) over its expected useful life. The useful lives are as follows:

Computer equipment	4 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. During the period of their depreciation, assets are reviewed for impairment if circumstances indicated their carrying value may exceed their net realisable value and value in use.

i) 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.

j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

1.2) Going concern basis

The Executive Committee at each of its meetings throughout 2024 - 2025 considered its financial position and whether LCF continued to be a going concern. At its meeting on 13 July 2025. it also considered the guidance provided by the Charity Commission in relation to 'going concern'. The EC also considered LCN's ability to sustain and grow its membership and its cash position. The Executive Committee's Finance Sub-Committee monitored risk, LCF's future funding 'pipeline' and the financial position of Law Centres as part of its judgement about 'going concern'. LCF secured 3 new multi-year grants and 3 new short-term grants during 2024-2025 and continues to submit other funding applications.

EC noted that there is sufficient cash for the year ahead. There is concern that LCN's free reserves have dropped below the Charity Commission's recommendation of holding equivalent of 3 months of running costs. The EC are taking the necessary steps to mitigate this risk and aim to rebuild reserves in 2025/26. EC agreed that LCN is a going concern. The charitable company therefore continues to adopt the going concern in preparing its financial statements.

1.3) Accounting estimates and judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.4) Staff Policies

The costs of short-term employee benefits are recognised as a liability and an expense.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

1.5) Financial Instruments

Basic Financial Instruments

The charity only holds basic financial instruments as defined by FRS 102.

a) **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b) **Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at the recoverable amount. Debtors and creditors that are receivable of payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2a. Donations

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
Subscriptions - Law Centre members	-	115,100	**115,100**	95,100
Donations	-	37,119	**37,119**	30,389
Total	-	**152,219**	**152,219**	**125,489**

2b. Charitable Activities

	Restricted	Unrestricted	2025 Total	2024 Total
	£	£	£	£
AB Charitable Trust	-	69,000	**69,000**	55,000
Allen & Overy Foundation	-	-	**-**	8,000
Awards For All	19,700	-	**19,700**	-
Baring Foundations	191,206	-	**191,206**	184,454
Bell Foundation	16,679	-	**16,679**	7,210
City Bridge Trust	88,275	-	**88,275**	-
East Midland Business Ltd	**-**	-	-	15,000
Esmee Fairbairn Foundation	**-**	-	-	65,000
John Ellerman Foundation	-	48,000	**48,000**	48,000
Law Society	22,500	-	**22,500**	22,500
LLST - Cost of Living	28,675	10,000	**38,675**	65,990
LLST - Propel	225,000	-	**225,000**	225,000
Paul Hamilyn Foundation	**-**	-	-	100,000
Talent Fund	10,000	-	**10,000**	-
The Legal Education Foundation	**-**	65,000	**65,000**	22,500
Services to LCs	**-**	135,116	**135,116**	124,101
Gifts in Kind	**-**	7,683	**7,683**	5,483
Annual conference	**-**	6,848	**6,848**	-
IT - Digital Transformation (TNLCF)	**-**	-	-	17,500
Total	**602,035**	**341,647**	**943,682**	**965,738**

In the preceding year, 2023-24, £425,584 of total income from charitable activities were related to unrestricted funds and £540,154 attributable to restricted funds.

2c Other income

	Restricted	Unrestricted	Total 2025	2024
	£	£	£	£
Sundry income	-	26,854	**26,854**	5,273
Total	-	26,854	**26,854**	**5,273**

In the preceding year, 2023-24, £5,273 were attributable to unrestricted income.

Notes to the financial statements

For the year ended 31 March 2025

3 Total expenditure

	Raising Funds	Charitable Activities	Support Costs	2025	2024
	£	£	£	£	£
Staff costs	34,614	375,127	76,742	**486,483**	456,148
Staff Travel, Training, Recruitment & Mtgs	-	2,320	5,408	**7,728**	10,752
Governance costs	-	14,173	-	**14,173**	28,220
Premises costs	-	28,237	-	**28,237**	26,817
Office costs, ICT, Insurance & Comms	-	12,666	-	**12,666**	10,621
Legal and Professional Fees	-	3,089	-	**3,089**	3,430
Services to Law Centres	-	128,986	-	**128,986**	119,206
Grants & Payments to Law Centres	-	323,795	-	**323,795**	310,678
Annual Conference & Events	-	14,054	-	**14,054**	-
Subscriptions & Journals	-	7,712	-	**7,712**	8,872
Training and Course Costs	-	1,824	-	**1,824**	1,963
Website / Digital Development	-	11,157	-	**11,157**	54,336
Project specific cost	-	26,815	-	**26,815**	28,067
Gifts in Kind	-	7,682	-	**7,682**	5,483
Total expenditure	**34,614**	**957,637**	**82,150**	**1,074,401**	**1,064,592**
Support Costs	2,969	**79,181**	(82,150)	-	-
Total expenditure	**37,583**	**1,036,818**	-	**1,074,401**	**1,064,592**

In the preceding year, 2023 -24, £562,045 of expenditure was attributable to unrestricted funds and £502,547 attributable to restricted funds.

3 Total expenditure (comparision 2024)

	Raising Funds	Charitable Activities	Support Costs	2024	2023
	£	£	£	£	£
Staff costs	45,152	355,926	55,070	456,148	481,490
Staff Travel, Training, Recruitment & Mtgs	-	7,524	3,228	10,752	13,145
Governance costs	-	28,220	-	28,220	11,362
Premises costs	-	26,817	-	26,817	25,967
Office costs, ICT, Insurance & Comms	-	6,954	3,667	10,621	8,735
Legal and Professional Fees	-	3,430	-	3,430	9,495
Services to Law Centres	-	119,206	-	119,206	77,776
Grants & Payments to Law Centres	-	310,678	-	310,678	128,482
Annual Conference & Events	-	-	-	-	23,947
Subscriptions & Journals	-	8,872	-	8,872	10,186
Training and Course Costs	-	1,963	-	1,963	12,422
Website / Digital Development	-	54,336	-	54,336	24,936
Project specific cost	-	28,067	-	28,067	231,845
Gifts in Kind	-	5,483	-	5,483	9,470
Total expenditure	45,152	957,475	61,965	1,064,592	1,069,258
Support Costs	5,701	56,264	(61,965)	-	-
Total expenditure	**50,853**	**1,013,739**	**-**	**1,064,592**	**1,069,258**

Notes to the financial statements

For the year ended 31 March 2025

3a Analysis of Grant Payments to Law Centres

	2025	2024
Funders	**£**	£
Baring Foundation	**133,875**	126,918
LLST - Cost of Living	**25,578**	55,000
LLST - Propel	**164,342**	128,760
Total	**323,795**	**310,678**

3b Analysis of governance costs

	2025	2024
	£	£
Annual Report	**1,969**	3,972
Audit fees	**11,400**	17,700
Independent examiner fees (2023)	**-**	4,440
EC travel (reimbursed)	**212**	1,276
Governance meetings	**592**	832
Total	**14,173**	**28,220**

4 Net Income / (Expenditure) for the year

This is stated after charging:	2025	2024
	£	£
Executive Committee's reimbursed expenses		1,276
Auditors' remuneration		
Audit*	**11,400**	14,750
Independent Examination		4,400
Operating lease rentals:		
property	**11,112**	10,584

*Audit Fees for the financial year 2023-24 totalled £14,750 (excluding VAT).An independent examination was undertaken relating to the prior year ended 31 March 2023, fees paid totalled 10,000 of which £4k was paid / incurred during current year ended 31 March 2024

5 Staff costs and numbers

	2025	2024
Staff costs were as follows:	**£**	£
Salaries and wages	**417,964**	397,651
Social security costs	**39,252**	30,661
Pension contributions	**29,267**	27,836
Total	**486,483**	**456,148**

5a. Staff costs by activities

	2025	2024
	£	£
Raising Funds	**34,614**	45,153
Charitable Activities	**375,126**	355,925
Support Cost	**76,743**	55,070
Total	**486,483**	**456,148**

One employee earned more than £60,000 during the year.
Total pension contributions paid during the year in relation to this employee was £5,018 (2023-24: £4,841).

5b. Staff numbers by activities

The average monthly number of employees (full-time equivalent) during the year is as follows:

	Head Count		Full Time Equivalent	
	2025	2024	**2025**	**2024**
	No.	No.		
Cost of generating income	**2**	4	**0.4**	0.7
Support costs	**3**	3	**1.5**	1.3
Direct Service provision	**7**	10	**6.4**	6.4
Average Employee Numbers	**12**	11	**8.3**	8.4

Staff have been allocated to areas of work where they spend most time.

5c. Key Management Personel

The Key Management of the Charity is considered to be the Director, Finance Officer & Trustees. The total employee benefits of the key management personnel were £99,533 (2023-24: £98,250), which includes total employer NIC Contributions of £4,718 (net of 5k employment Allowance) and total employer pension contributions of £6,202

Trustees are not remunerated but are reimbursed for travel and subsistence expenses incurred through attendance of governance meetings.

Executive Committee expenses of £212 were incurred in 2024- 2025 (£1,276 in 2023-24). None of the 17 members were remunerated.

6 Taxation

All income is charitable and applied for charitable purposes only and thus is exempt from Corporation Tax.

7 Debtors

	2025	**2024**
	£	£
Grants receivable	**5,560**	3,605
Prepayments	**34,001**	32,819
Conference fees	**680**	300
Membership & Lexis Nexis	**31,757**	27,164
VAT Due	**2,784**	4,546
Professional Indemnity Insurance	**23,880**	61,011
Other debtors	**2,348**	5,763
Total	**101,010**	**135,208**

8 Creditors:

	2025	**2024**
	£	£
Trade creditors	**17,951**	24,243
Taxation and social security	**11,134**	10,464
Accruals	**15,714**	26,284
Pension contributions	**6,406**	6,441
Deferred Income	**83,124**	97,966
Amount held on behalf of Law Centres	**0**	27,673
Other creditors	**2,369**	1,577
Total	**136,698**	**194,648**

8a. Deferred Income

	2025	**2024**
	£	£
Balance at the beginning of the year	**97,966**	70,380
Amount relesased to income in the year	**97,966**	70,380
Amount deferred in the year	**83,124**	97,966
Balance at the end of the year	**83,124**	**97,966**

Deferred income for the year includes £83,124 for invoicing of the Professional Indemnity Insurance in March 25, which relates to the next financial year 2025-26 Deferred income of £97,966 in 2024 corresponds to the invoicing of the Professional Indemnity Insurance(£87,966) and grant in advance from the Talent fund (£10,000), which was applicable to and released in the 2024-25 financial year.

9 Fixed assets	Computer equipment £	Total £
Cost		
As at 01 April 2024	**15,838**	**15,838**
Additions	-	-
As at 31 March 2025	**15,838**	**15,838**
Depreciation		
As at 01 April 2024	15,614	**15,614**
Charge for the year	224	**224**
As at 31 March 2025	15,838	**15,838**
Net book value		
As at 31 March 2024	224	**224**
As at 31 March 2025	-	-

10 Movements in funds

Restricted funds:	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Awards For All	-	19,700	12,868	-	**6,832**
Baring Foundation	153,152	191,206	187,288	-	**157,070**
Bell Foundation	-	16,679	16,679	-	-
City Bridge Trust	-	88,275	65,482	-	**22,793**
Law Society	-	22,500	40,932	25,125	**6,693**
LLST - Cost of Living	-	28,675	28,675	-	-
LLST - PROPEL	61,150	225,000	206,895	-	**79,255**
Talent Fund	-	10,000	10,000	-	-
Total Restricted Funds	**214,302**	**602,035**	**568,819**	**25,125**	**272,643**
Unrestricted funds	**98,899**	**521,240**	**505,582**	**(25,125)**	**89,432**
Total Funds	**313,201**	**1,123,275**	**1,074,401**	**-**	**362,075**

Notes to the financial statements

For the year ended 31 March 2025

Movements in funds (2024)

	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
Baring Foundation	139,153	184,454	170,455	-	153,152
Bell Foundation	-	7,210	7,210	-	-
IT - Digital Transformation (TNLCF)	12,917	17,500	39,142	8,725	-
Law Society	-	22,500	22,500	-	-
London Legal Support Trust - Cost of Living	-	60,990	60,990	-	-
London Legal Support Trust - Propel	-	225,000	163,850	-	61,150
Philip King Charitable Trust	15,900	-	15,900	-	-
TLEF - Workforce Development	-	22,500	22,500	-	-
Total Restricted Funds	**167,970**	**540,154**	**502,547**	**8,725**	**214,302**
Unrestricted funds	**112,845**	**556,824**	**562,045**	**(8,725)**	**78,306**
General Fund	92,252	556,824	562,045	(8,725)	78,306
Designated Fund	*20,593*	-	-	*(20,593)*	-
Total Funds	**280,815**	**1,096,978**	**1,064,592**	**-**	**313,201**

10 Purposes of RESTRICTED grant funds received:

Awards for All: restricted 1 year grant to toredevelop the *Get Help* page of LCN's website.

Baring Foundation: restricted 3 year grant to undertake in-depth work with three Law Centres (Suffolk, Vauxhall (Liverpool) and Derbyshire) to develop and scale hub activities in their locales to achieve longer-term social change for their communities and beyond.

Bell Foundation: Project initially lead by Harrow Law Centre to support victims of Crime, particularly those who speak languages other than English. LCN's role is to extend the learning from Harrow's project to other Law Centres with view to establish model in other parts of the UK and to finalise and advocate on the findings of the FOI report.

City Bridge Trust 5 year programme to work with London Law Centres and Centres of Excellence to build capacity, digital and data skills, to develop digital maturity, to develop a data standard and to harness the data to give voice to Londoners on issues that concern them.

Legal Education Foundation: Workforce Development - 1 year restricted grant to scope a scheme to assist Law Centres outside London recruit and retain staff. This project ended in 2024

London Leagal Support Trust - Cost of Living Project: Funds grant to support London Law Centres work to increase advice capacity to help people affected by the rising cost of living; improve community outreach; increase provision of specialist legal advice in the borough of Haringey.

London Legal Support Trust - PROPEL: 3 year grant to develop London Law Centres' workforce, including funding legal apprentices at 5 Law Centres.

The Law Society: Two year grant to review and further develop the Law Centres' Platform aimed at improving online collaboration, support, and sharing of resources.

National Lottery Community Digital Fund: Final year of a three year grant aimed at digital transformation within Law Centres. £8,725 was transferred from LCN unrestricted funds to cover the budget overspend. The project ended in 2024.

Purposes of UNRESTRICTED grant funds received:

The following funding is included within the unrestricted funding line in note 10. See note 2b for a detailed breakdown of unrestricted income.

AB Charitable Trust: 5 year unrestricted core fund grant to LCN to further our aims and objectives in line with LCN'S Strategic Plan 2024-2029

Esmee Fairbairn Foundation: An unrestricted two year grant to contribute to core costs to maintain capacity and delivery on LCN's policy objectives. This grant ended in 2024.

10 Movements in funds (continued)

Purposes of UNRESTRICTED grant funds received:

John Ellerman Foundation: An unrestricted three year core fund granted to support LCN focus on further developing its strategy and theory of change, and to make community engagement more central to our work.

Legal Education Foundation: A three year core grant to assist LCN to Increase our capacity to support Law Centres in the face of increasingly complex challenges.

Paul Hamlyn Foundation: An unrestricted five year core grant provided to work on influencing government departments and other public bodies on the future of a fair and effective justice system, particularly in response to the impact of changes arising from the Covid pandemic.

11 Net Assets by Fund

	Unrestricted	Restricted	2025 Total
	£	£	£
Fixed Assets	-	-	-
Cash	**115,335**	**282,428**	**397,763**
Other Net Assets	**(25,903)**	**(9,785)**	**(35,688)**
Net Current Assets	**89,432**	**272,643**	**362,075**

11 Net Assets by Fund (2024 Comparison)

	Unrestricted	Restricted	2024 Total
	£	£	£
Fixed Assets	224	-	224
Cash	122,075	250,344	372,417
Other Net Assets	(23,399)	(36,042)	(59,440)
Net Current Assets	**98,676**	**214,302**	**312,977**
Total	**98,899**	**214,302**	**313,201**

12 Operating lease commitments

	2025	2024
Property	**£**	£
Within 1 year	**11,112**	10,584
	11,112	**10,584**

13 Related party transactions

Some members of LCN's board of trustees work in community Law Centres that receive funds from LCN. When funding decisions are taken in respect of these community Law Centres, the relevant representative is excluded from the discussions taking place.

	2025	2024
	£	£
Camden Law Centre	**-**	15,900
Derbyshire Law Centre	**42,526**	40,666
Ealing Law Centre	**35,704**	25,752
South West london Law Centre	**21,526**	25,752
Vauxhall Law Centre	**42,525**	39,852

14 Reconciliation of net income/expenditure to net cash flow from operating activities

	2025	2024
	£	£
Net expenditure as per the statement of financial activities	**48,874**	**32,386**
Adjustments for:		
Depreciation charges	224	824
Investment income	(520)	(478)
Decrease in debtors	34,198	8,854
Decrease/Increase in creditors	(57,950)	34,597
Net cash used in operating activities	**24,826**	**76,183**

COMPARATIVE INFORMATION:Statement of financial activities (incorporating an income and expenditure account) for year ended 31 March 2023

	Note	Restricted	Unrestricted	2024 Total	2023 Total
		£	£	**£**	£
15 Income and Endowments					
Donations	**2a**	-	125,489	**125,489**	169,244
Charitable activities	**2b**	540,154	425,584	**965,738**	728,686
Investments		-	478	**478**	169
Other	**2c**	-	5,273	**5,273**	14,492
Total		**540,154**	**556,824**	**1,096,978**	912,591
Expenditure on:					
Raising funds		-	50,853	**50,853**	43,475
Charitable activities	**3**	502,547	511,192	**1,013,739**	1,025,783
Total		**502,547**	**562,045**	**1,064,592**	1,069,258
Net income/(expenditure)		37,607	(5,221)	32,386	(156,667)
Transfers between funds	**10**	8,725	(8,725)	-	-
Net movement in funds		46,332	(13,946)	32,386	(156,667)
Reconciliation of funds:					
Total funds brought forward		167,970	112,845	**280,815**	437,482
Total funds Carried forward		**214,302**	**98,899**	**313,201**	**280,815**

LAW CENTRES FEDERATION

England & Wales - Charity number 1088588

Accounts

Company no. 2433492
Charity no. 1088588

Law Centres Federation

Report and Audited Financial Statements

31 March 2024

Law Centres Federation
Reference and Administrative Details for the year ended 31 March 2024

Company number 2433492
Charity number 1088588
Registered office and operational address
1 Lady Hale Gate
Gray's Inn
London
WC1X 8BS

Executive Officers
The following served on the Executive Committee throughout the year:
From 1 April 2023 to 24 November 2023:

Chair:	Helen Rogers
Vice Chair:	Ursula O'Hare
Vice Chair:	Vicky Fewkes
Treasurer:	Patrick Marples
Secretary:	Ngaryan Li

Committee Members: Helen Bagley
Sara Chandler (co-opted on 12 December 2022)
Michael Fawole
Najwa Hassan
Laura Hastie
Peter Kandler (co-opted on 12 December 2022)
Victor McAllister
Lydia Nash
Pamela Robotham (co-opted on 12 December 2022)
Emma Stradling
Linda Summers

From 24 November 2023 to 31 March 2024:

Chair:	Helen Rogers
Vice Chair:	Ursula O'Hare
Vice Chair:	Vicky Fewkes
Treasurer:	Patrick Marples
Secretary:	Ngaryan Li

Committee Members: Sara Chandler (co-opted on 11 December 2023)
Michael Fawole
Najwa Hassan
Laura Hastie
Peter Kandler (co-opted on 11 December 2023)
Victor McAllister
Lydia Nash
Pamela Robotham (co-opted on 11 December 2023)
Sagar Shah
Emma Stradling
Linda Summers
Mark Weights

On 31 March 2024 there was 1 elected vacancy on the Executive Committee.
The Officers and Committee Members are all members of the Executive Committee.

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 2024 was 42.

Members of the Executive Committee had no beneficial interest in the charity.

Bankers:	The Cooperative Bank Islington High Street London N1 9TR
	CAF Bank 25 Kings Hill Avenue Kings Hill, West Malling Kent, ME19 4JQ
	Charity Bank Ltd Fosse House 182 High Street Tonbridge TN9 1BE
Auditor:	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2024

The Law Centres Federation is a registered charity and a company limited by guarantee. It is governed by the Memorandum and Articles of Association created in 1978 and last updated at the 2022 AGM. The company is registered at Companies House, registration number 2433492. The company is also a Registered Charity registration number 1088588.

The Law Centres Federation also operates as the Law Centres Network (LCN).

The reference and administrative details on page 1 form part of this report.

The Executive Committee, which is also the Board of Directors of the charitable company for the purposes of the Companies Act, submit its annual report and financial statements of the Law Centres Federation for the year ended 31 March 2024. The Executive Committee confirms that the annual report and financial statements of the Law Centres Federation comply with current statutory requirements, the requirements of its governing document, as provided in its Memorandum and Articles of Association, and the provisions of Accounting and Reporting by Charities preparing their accounts in accordance with Accounting and Reporting by FRS 102 Charities SORP.

Election of Directors/Trustees to the Executive Committee and ongoing Training

LCN is governed by an elected Executive Committee which has corporate and legal responsibility for all activities and functions of the organisation.

People are nominated prior to election, or re-election, by member Law Centres at the Annual General Meeting, in accordance with the Memorandum and Articles of Association of the Law Centres Federation. This provides for the election of 15 members: five officers, five representatives of member Law Centres' management committees and five employees of member Law Centres. Up to five additional Executive Committee members may be appointed by co-option.

The Law Centres Network is committed to ensuring that the membership of the Executive Committee reflects the diversity of its member Law Centres. It annually reviews its composition for diversity as well as the skills of its members to ensure that a balance is maintained of geographic, developmental, financial, legal and management skills across the Executive Committee to enable it to discharge its duties.

An induction event is offered to new Executive Committee members at the beginning of their term of office. All new Executive Committee members receive an induction pack that includes information about the Law Centres Network, and a briefing that outlines the roles and responsibilities of the Executive Committee as both company directors and charity trustees. Recent copies of minutes, management accounts and management reports, together with copies of the Memorandum and Articles of Association, are included in the induction pack. This pack is available online for all committee members.

Charity Governance Code

Throughout the year, trustees are provided with updated information on changes to relevant legislation, their responsibilities as trustees, new guidance provided by the Charities Commission including new guidance in September 2023 on charities use of Social Media, or other relevant information that may assist them to carry out their duties as Trustees. We also provide training on relevant topics and invite speakers to the Board Meetings as part of our ongoing training for trustees.

Trustees are aware of the Charity Governance Code published in 2017 that sets out the principles and recommended practice for good governance within the sector. LCN has reviewed its governance arrangements against the principles within the Code and believes that it is compliant whilst maintaining its need to operate its governance efficiently.

The charity purchased insurance costing £1,011 included in Support Costs, to protect it from loss arising from neglect or default of the Trustees Directors / Executive Committee members and to indemnify the Trustees against the consequences of neglect or default on their part.

Risk Management

The Executive Committee (EC) has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The system of internal controls is designed to provide assurance that the charity's funds are used in line with its charitable objects, for the purposes for which they were granted and for the public benefit. These controls include:

- A strategic plan, an annual budget and a cashflow projection for the next 18 months, all approved by the Executive Committee.
- Regular oversight and consideration by the Executive Committee of financial information, variance from budgets and non-financial performance reports.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Overall responsibility for the Law Centres Network rests with the Executive Committee. Day-to-day management of the LCN has been devolved to the Director.

The LCN undertakes formal risk management reviews. The Finance sub-committee of the EC has been charged with monitoring risk each quarter to report back to the EC meeting and alert it of any new risks or issues of concern. The Sub-Committee reviews the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways to mitigate the risks.

LCN identified the key risk in the coming three years as: securing sufficient core funds, particularly given the ongoing impact of inflation, cost of living crisis and ending of multi-year grants; loss of key personnel; and the ongoing difficulty Law Centres, and all organisations across the legal aid sector, have recruiting and retaining suitably qualified staff. The Trustees also consider the potential impact of political instability and a regularly changing policy environment as a risk for both Law Centres and LCN. Mitigations are in place for each of these risks.

The Executive Committee is pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Pay and remuneration of the charity's key management personnel

All LCN staff including key managers have their salary set against the NJC Pay Scales. New staff starting salary is set at the pay point which most closely matches their job description. Increases to the Award, which occur from time-to-time, are passed on to staff. The Human Resources Sub-Committee of the Executive Committee monitor salary policy and make changes as required.

Public Benefit

The Executive Committee (EC) considers that the activity undertaken to achieve its Vision and Mission are for the benefit of the public. The EC referred to the guidance contained in the Charity Commission's general guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB")' when reviewing its strategic objectives and setting the approach it will take as part of its annual planning process. The EC also reviews progress against the objectives and activity undertaken on a quarterly basis.

Law Centres Federation
Report of the Executive Committee for the year ended 31 March 2024

LCN's activities benefit the public in 3 ways:

1. Through working with organisations to establish Law Centre services in new areas, thereby increasing access to free legal assistance for people in financial hardship.
2. Through providing services to Law Centres that enable them to provide legal services to vulnerable and disadvantaged people in their communities with activities such as assisting with tender preparation and funding bids, training, governance support, facilitating effective collaboration and sharing of resources.
3. Through policy work that seeks to address the underlying causes of people's legal problems through strategic projects, through responding to consultations, participating in reviews, representing Law Centres with decision makers, and through working to extend the availability of free legal services for disadvantaged people.

LCN reports publicly on its activity and impact in its Annual Review available on our website: LCN_Annual_Review_2022-23.pdf (ctfassets.net) and published with our annual return to the Charities Commission.

Throughout 2023-2024 LCN considered all its activities were for the benefit of the public and were guided by our strategic plan.

Objects and Activities

The Law Centres Federation (LCN) is the national organisation that represents Law Centres. The term "Law Centre" is a registered trademark, available for use only by members of the Law Centres Federation.

The objects of the Law Centres Federation (LCN) are:

1. To relieve charitable need, in particular financial hardship, and in so doing provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom.
2. To advance the education of the public by assisting Law Centres in improving and diffusing knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas or the law which are of particular concern to poor people or are directed to the relief of poverty.

Law Centres are not-for-profit legal service providers, specialising in social welfare law (housing, immigration, employment, welfare benefits, mental health, community care, public law, etc) and related areas of law that affect people in their daily lives, particularly people who are vulnerable and/or economically disadvantaged. Without Law Centres hundreds of thousands of people would have no meaningful access to justice and could not resolve their problems so would be hindered from taking up opportunities.

To become a Law Centre an organisation needs to be vetted by the Law Centres Network, and then voted in by the current membership at a General Meeting. To enjoy the benefits of membership each Law Centre has to comply with membership regulations, including employing at least 2 lawyers and having an independent management committee drawn from the community it serves.

On 31 March 2024 there were 42 Law Centres operating that are members of the Law Centres Network. LCN also has 2 Affiliates. Affiliate status is intended specifically for collegiate law clinics, operated by law students under professional supervision, to ally themselves with Law Centres' work for access to justice and to suggest social welfare law as a career path to a new generation of legal professionals.

The Executive Committee secured resources to employ a Director with 12 staff to implement the organisation's strategic objectives in 2023-2024. These are reviewed and agreed each year so that LCN can achieve its vision and mission:

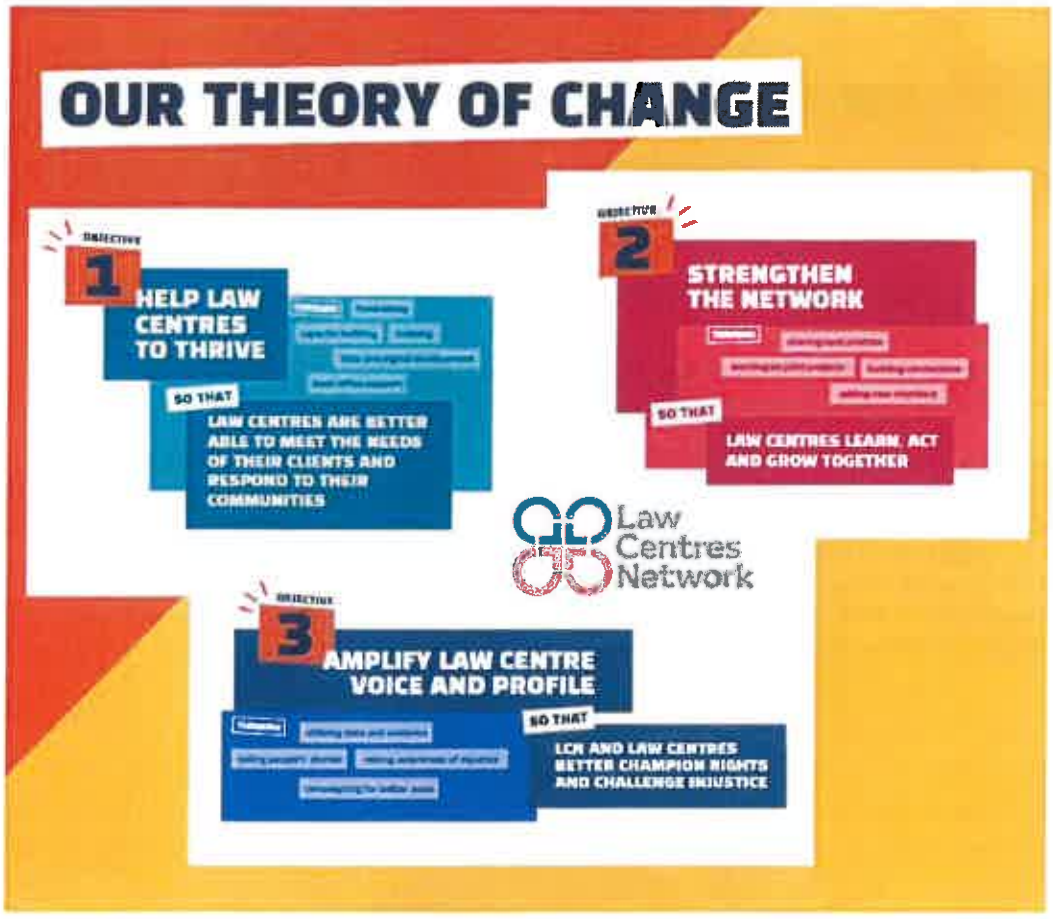
Law Centres Federation
Report of the Executive Committee for the year ended 31 March 2024

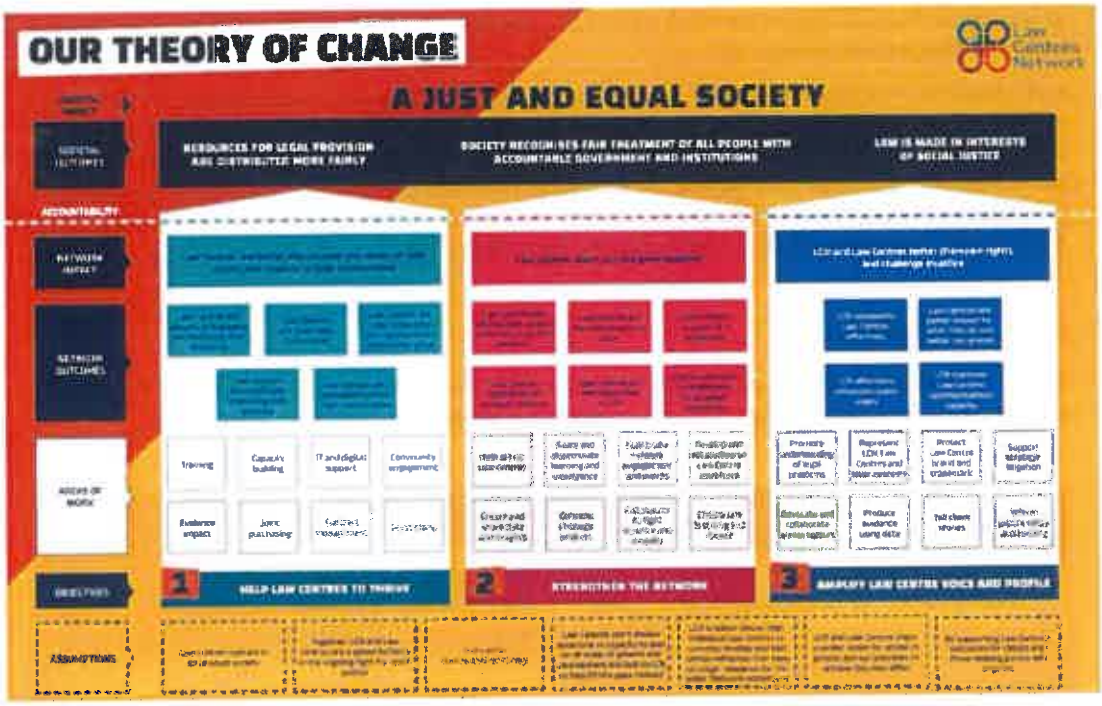
LCN's Vision - The Law Centres Network strives for a just and equal society where everyone's rights are valued, defended and protected.

LCN's Mission - We uphold justice for socially and economically disadvantaged members of society by supporting a national network of Law Centres that use their legal skills as a tool for change and their legal expertise to defend the rights of people in their communities. We represent Law Centres at all levels of government and national forums, we help centres to maximise their potential as sustainable organisations, we initiate new Law Centre services for particularly vulnerable groups, and we champion the Law Centre model. We are the collective voice of Law Centres.

LCN's Theory of Change

Below is our Theory of Change that illustrates how LCN will achieve its Mission and make the change we seek to make in service of our charitable objects.





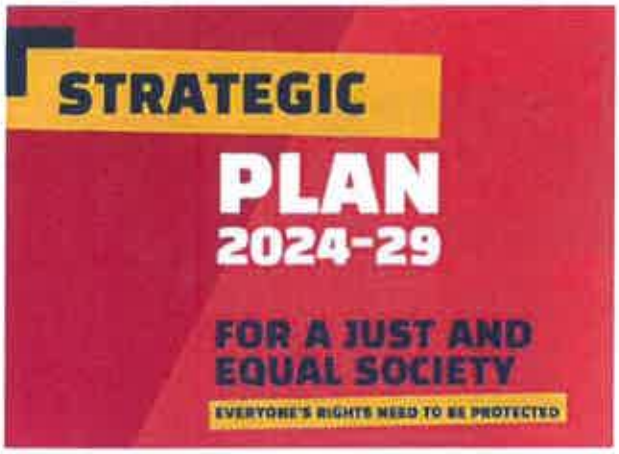
The Theory of Change illustrates **LCN's Strategic Objectives for 2023-2024** and until 2029.

1. Help Law Centres to thrive
2. Strengthen the network of Law Centres
3. Amplify the collective voice and profile of Law Centres

The Law Centres Network acts as a catalyst for activity across Law Centres, working on a national level to reveal injustice, analysing needs and root causes and advocating for change. LCN is uniquely placed to identify what has worked, collect evidence and share that learning across the network of Law Centres and then support other Law Centres to take up proven methods. It drives quality across Law Centres and enables local Law Centres to join together so they can design strategic national responses and exert influence, yet still be embedded in and driven by the needs in their local communities. In this way LCN achieves its charitable objects and its public benefit is produced.

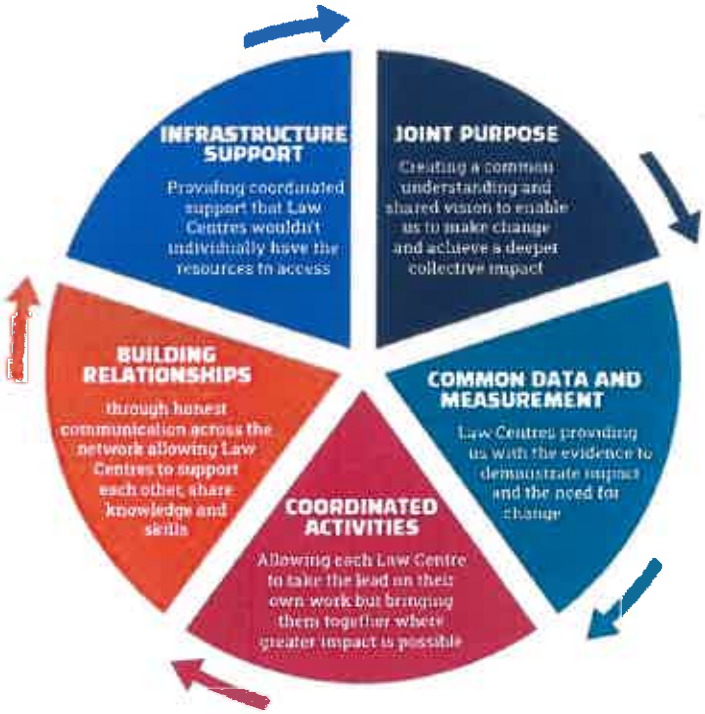
New 5 year Strategic Plan

As reported in 2023 we undertook a 360 degree review of our previous Strategic Plan. Based on the findings and recommendations LCN has adopted a new plan for the coming 5 years.



A particular focus of the new strategy is to harness the network of Law Centres to achieve a deeper impact. The following illustration indicates **how** LCN achieves this impact.

Following the illustration below we report on the progress that was made in 2023-2024 against the plan of work developed to achieve the strategic objectives. Each objective also highlights some of the impact of this activity.



Progress against LCN's Strategic Objectives for 2023-24

Strategic Objective 1 - Help Law Centres to thrive



In 2023-2024 to achieve the objective to **Help Law Centres to thrive** the following streams of work were undertaken. The work was funded by:

- LCN Membership Subscriptions
- AB Charitable Trust
- John Ellerman Foundation
- London Legal Support Trust
- The National Lotteries Community Digital Fund
- The Legal Education Foundation



Law Centres are uniquely placed to use the law as a tool for social change, but our network is only as strong as our weakest member. Our continued progress towards a just and equal society is only possible if each and every Law Centre can secure and deploy the resources it needs.

Our work under this objective is about supporting Law Centres to:

- improve their financial sustainability
- identify and embed best and emerging practice

- better understand their role as legal advice organisations within their local ecosystem of residents, community groups, and other charities
- manage and deploy their people, money, buildings, time, equipment, and data more effectively
- identify potential challenges at an earlier stage and act quickly to mitigate them

Beyond these overarching themes, our close relationship with members means we can respond quickly and strategically to emerging pressures and opportunities, such as developments in AI or new pathways to solicitor qualification.

This year, we have undertaken work in the following initiatives:

Initiative Name	Description
Community Engagement	Ongoing support to help Law Centres better understand their role within their communities and to engage more effectively with the people they represent.
Digital Program Management	LCN's digital transformation programme is a framework to support the individual digital transformation of Law Centres to enable them to harness digital solutions to enhance their ability to strive for a just and equal society where everyone's rights are valued, defended and protected.
Digital Back Office Project	Implementing a custom configuration of Salesforce designed on Law Centres' requirements for managing back-office functions like HR, grants, contacts and office compliance.
Law Centre Fundraising	This is part of LCN's routine work to provide funding support to Law Centres in the form of: capacity building direct support and training raising awareness of funding opportunities supporting or leading on collaborative bids developing resources and sharing learning on applying for and managing grants, donations and contracts.
IT Infrastructure	This is part of LCN's broader Digital Transformation program to ensure that Law Centres have the IT infrastructure they need to effectively and efficiently run their Centre and deliver services.
Enquiry Desk	A project as part of LCN's wider Digital Transformation Program to test out the concept of deploying a tool to help Law Centres capture data on enquiries and client profile, including those people they have to turn away.
Law Centre Capacity Building	This is about building Law Centre's capacity so they are better able to meet the needs of their clients and respond to their communities. It includes direct support and training.

Underpinning each of these initiatives is a series of workstreams, including:

Law Centre Hubs (funded by The Baring Foundation)
Demand for social welfare legal advice is increasing and Law Centres simply can't keep up. Many of the problems that drive people to Law Centres are systemic; caused by biased systems, poor decision making, and fractured services. Our hub project aims to support a cohort of Law Centres to explore a 'hub' model of legal action for their communities. This means that, in addition to advising and representing individuals, they will work with local partners in a joint effort towards a broader social change goal; one that, if achieved, could lead to changes in policy, law, behaviours or attitudes, or new ways of designing and delivering services. Since March, we have supported Law Centres in three separate regions — Vauxhall in Merseyside, Derbyshire in the Midlands, and Suffolk in East Anglia — to develop their respective approaches.

As each Law Centre advances its goal, we are surfacing and capturing their learning – convening, coaching, connecting, and questioning. During year two we will look to outline just how Law Centres and similar organisations can use their legal skills to inform, advise and represent local groups, so together they can achieve meaningful change. Law Centres' capacity to help individuals with their cases is not expected to grow significantly, so making common cause with other groups and stretching our legal skills in other directions is a timely project for these trying times.

Funding for Law Centres
As people struggle through the cost-of-living crisis, so do the organisations that are meant to help them through hardship. This year has been crucial for ensuring that Law Centres are able to continue to serve their communities. We have been working in partnership with Law Centres, other community organisations and the London Legal Support Trust to fight the cost-of-living crisis across the capital. Backed by the Greater London Authority, the project aims to increase advice capacity to Londoners in hardship, and to deliver it in ways that respond to their needs. After a successful first year, when the project helped thousands access nearly £10m in additional support, the Mayor of London renewed its funding. We have also mobilised our resources to help Law Centres nationwide meet this fundraising challenge. Our offer included opportunity briefings, bid writing workshops, and 1:1 bid checking and development. Through this we supported 31 Law Centres with 63 grant applications, raising a total of £7.9m.

We have also helped Law Centres bid for legal aid contracts in two tender exercises. Last winter, this covered the expanded Housing Loss Prevention Advice Service (HLPAS) as well as seizing opportunities for contracts in additional areas of practice. These contracts were barely underway when the tender for their replacements opened in the autumn. Within a month, every Law Centre had to bid to replace each of the multiple legal aid contracts it held and wanted to continue to deliver. Within the first week, we briefed Law Centres on the terms of the new contracts. In the second and third week, we delivered four workshops to guide them through writing their bids. In the fourth, we checked and fed back on bids before they were submitted.

In addition, for the first time in over a decade, the government decided to support the creation of new legal aid lawyers through a pilot training grants scheme. Teaming up with the company that administered the grants, we improved the selection criteria to get the best candidates for the job. We also helped Law Centres apply for the grants, assisting six of them to get the funding. With it, they will train up new legal aid lawyers in what we think is the best setting for it.

Training for Law Centres
Few realise the unique challenges that come with the Law Centre territory, such as running a small charity that is also a law practice; adhering to requirements from multiple regulators; and facing a sector-wide recruitment and retention crisis. Encountering this level of complexity can be daunting, so we provide member support in several key ways.

To resolve particular operations issues, we offer coaching to senior staff members in Law Centres. In the past year, we held over 55 one-on-one coaching sessions, that also enable us to identify and address

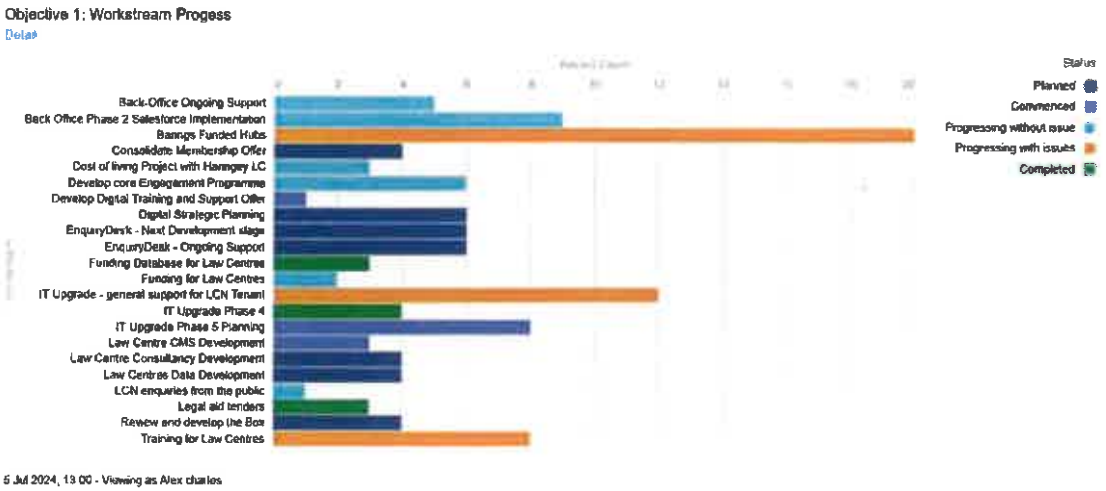
further support needs. We also facilitate peer support for Law Centre leaders, in part through popular weekly meetings when they can connect with colleagues across the network, share challenges and successes and seek advice.

We also continue to support over 25 themed communities of practice that allow practitioners from every Law Centre to engage with their peers in other Law Centres. In these groups, that from this year enjoy the integration of Office 365, colleagues can ask and answer questions, discuss challenges and opportunities and connect across the network. We are all the richer for this.

To encourage learning and contemplative practice, LCN runs regular themed training sessions on practical issues for staff and volunteers at Law Centres. This year we held 32 such sessions, attended by nearly 700 people from our members. Satisfaction levels are consistently high, with over two-thirds of attendees finding the sessions 'very good' or 'excellent'.

If running a Law Centre can be demanding for managers, it can baffle trustees, who steer Law Centres in a voluntary capacity. For this reason, a training highlight this year has been a five-session series on various aspects of Law Centre governance. New and experienced management committee members have considered how to understand local need and use it to shape services; how to approach data and reporting; the fundaments of Law Centre funding; and understanding and managing risk.

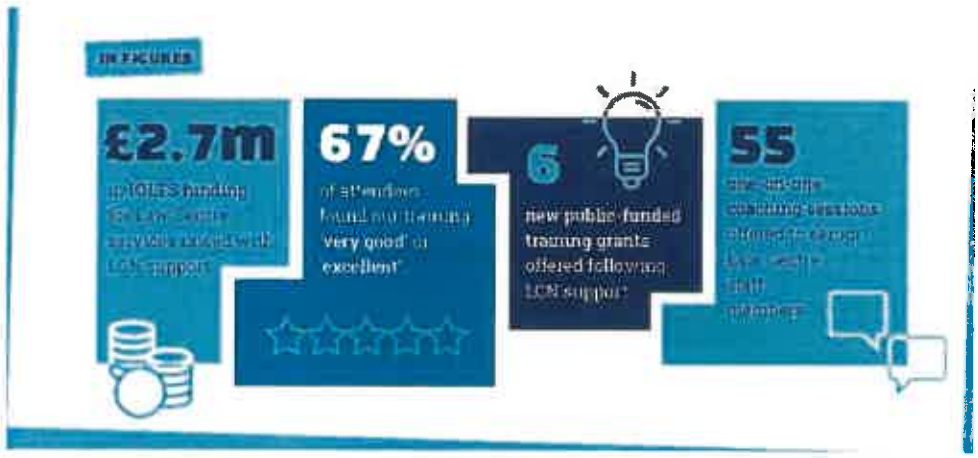
Our progress:



The main **blocks** to progress are:



The **impact** of this work in 2023:



Strategic Objective 2 - Strengthen the network of Law Centres



The following programmes of work were funded by:

- LCN Membership Subscriptions
- AB Charitable Trust
- John Ellerman Foundation
- The Bell Foundation
- London Legal Support Trust
- The Legal Education Foundation



Our members tell us that one of the biggest benefits of being a Law Centre is the opportunity to join with others in a combined effort to change society for the better. Although each is unique, they are all working towards the same goal, with shared challenges and opportunities. They can also do more because they're together. This objective is about convening and connecting Law Centres to leverage their shared experience and deepen their impact by working together to address systemic issues. This helps to ensure that Law Centres:

- Offer consistently high-quality services
- Feel part of a movement
- Collaborate on strategic pojects
- Are desirable places to work

It also aims to make sure that LCN has the resources it needs to properly support its members. This year, we have undertaken work in the following initiatives:

Initiative Name	Description
Family Law Project	A project to explore how Law Centres might increase access to family law advice, in partnership with LCN and Mishcon de Raya.
Law Centre Engagement	Deepening LCN's relationship with Law Centres so that we have the intelligence we need to support them, convene them, and advocate for them.
Law Centre Workforce Development	Supporting Law Centres to attract, recruit, develop and retain the staff they need.
LCN Conference	Holding an annual conference to bring together Law Centres around shared challenges and interest areas, building community and action planning on how as a Network we can grow and thrive.
LCN Data	This is about building the data maturity of LCN to ensure we have the right skills, tools, leadership, culture and governance to collect, analyze and draw, as well as share, insights from the important data we hold on our operations and Law Centres' legal work.
LCN Finances	This is about ensuring LCN has the financial resources it needs to deliver its objectives and ensuring the organisation is financially resilient
LCN Governance	This is about ensuring LCN has the relevant governance infrastructure to ensure the effective running and stewardship of the organisation.
LCN Website	This is about designing and improving LCN's website through agile iteration.
LCN Workforce Development	This is about ensuring LCN has the workforce it needs to deliver on its objectives.
Member's Platform	This initiative is about developing a platform for members and LCN to share information and engage with one another.
New Law Centres	This is about increasing the coverage of Law Centres across the country. The work is mainly reactive but with more capacity can allow for more proactive activity to build up Law Centre presence, particularly in so called 'advice deserts'.
Racial Justice	Programme of work with Law Centres focused on dismantling system racism

Our work towards this objective includes:

Workforce Development
As the UK struggles through tough times, this is keenly felt in Law Centres, who help those worst affected. Our network-wide employee assistance programme reflects the toll this takes on Law Centre people. This year, nearly two-thirds of the colleagues who have used it have accessed counselling, with anxiety being the most common complaint, in 2 in 5 of cases. We are glad to be able to offer this resource, which also offers confidential advice, guidance and a wellbeing portal.

In these conditions, workforce development continues to be among our biggest challenges. Building on previous scoping work, this year we continued to explore it with Law Centres, sector colleagues, funders and the Legal Aid Agency. Thanks to the Propel programme, we have secured funding to work with five London Law Centres over the next three years. This has allowed us to recruit a cohort of seven apprentice solicitors to increase access to justice in the capital, while testing new approaches to recruitment, training and retention. We will share our learnings nationwide as we continue to seek additional funding to address the different challenges of Law Centres outside of London.

New Law Centres

As a movement for change we continue to grow. Over the last year we have streamlined our application and on-boarding process for prospective members, greatly reducing the administrative burden and providing a clearer pathway to Law Centre status.

In September 2023, Leicester-based Community Advice & Law Service joined our ranks, becoming Leicester Community Advice & Law Centre. They were swiftly followed by RCJ Advice who were granted membership in November but are yet to begin operating as a Law Centre, in part due to the very sad and untimely passing of their highly regarded Chief Executive, Allison Lamb. We continue to work with seven other organisations moving towards membership in the coming year.

LCN Governance

In 2023 the Executive Committee decided that it was time to review and rewrite LCN's Memorandum and Articles of Association to make sure it was a governing document suitable for our needs in the twenty-first century. Our current Memorandum & Articles, although amended over the years, was written in 1978, almost 50 years ago. We are not changing the charitable objects or the fundamentals of Articles but simplifying, clarifying and modernising them. With the expertise and many hours of work from Allen & Overy Shearman, we aim to adopt the new governing document at the 2024 AGM.

In addition to the revised Articles, the Membership Agreement is being rewritten to sit alongside the new Articles. Like the Articles, the purpose of the Agreement and the criteria of membership will remain the same, but it will more clearly set out what it means to be a member of the network of Law Centres.

LCN Data

Having adopted the new Theory of Change and agreed the next 5 years' strategic plan, LCN has put considerable work into collecting the data that can evidence our progress and impact against the Theory of Change and Strategic Plan. The graphs throughout this report are produced by LCN's Salesforce implementation developed to collect the data and other evidence to monitor and report on our work. It is a long and slow process and not finished yet. We will continue to develop the data we collect as we better understand how we should measure our impact.

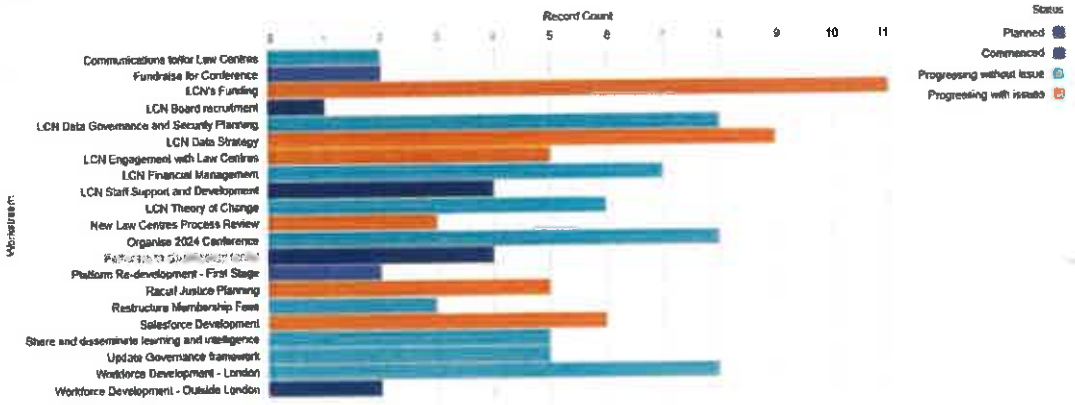
Data is a critical resource for LCN, Law Centres and most other organisations. Consequently, the governance of data, its security and the protection of privacy are now major areas of concern. LCN has Cyber Essentials accreditation and assists Law Centres to become accredited. Data governance is an area of work that continues to grow and will be a major focus in coming years.

Developing LCN's and Law Centres' data maturity is a key project for the coming 5 years. We plan to commence a programme of work with London Law Centres and other partner organisations in London in 2024-2025 with the support of the City Bridge Foundation.

Our **progress** and **impact** are illustrated on the following page.

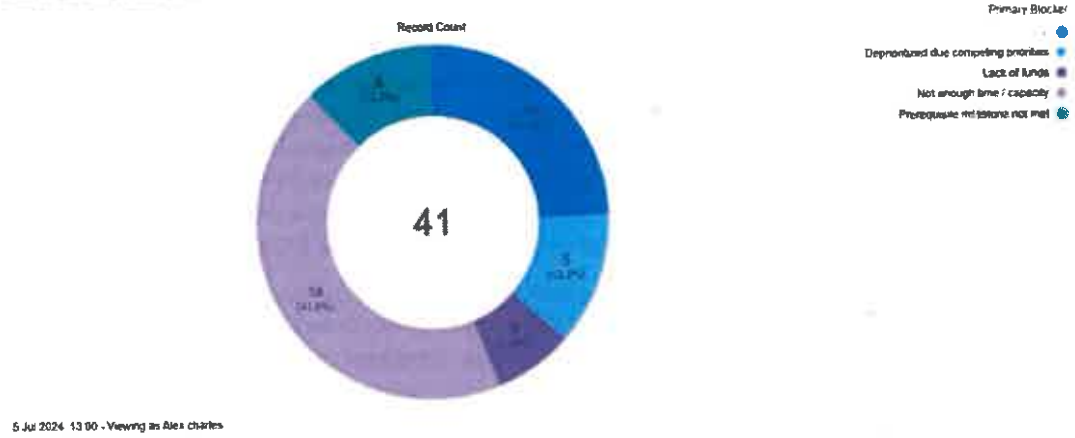
Objective 2: Workstream Progress

Detail



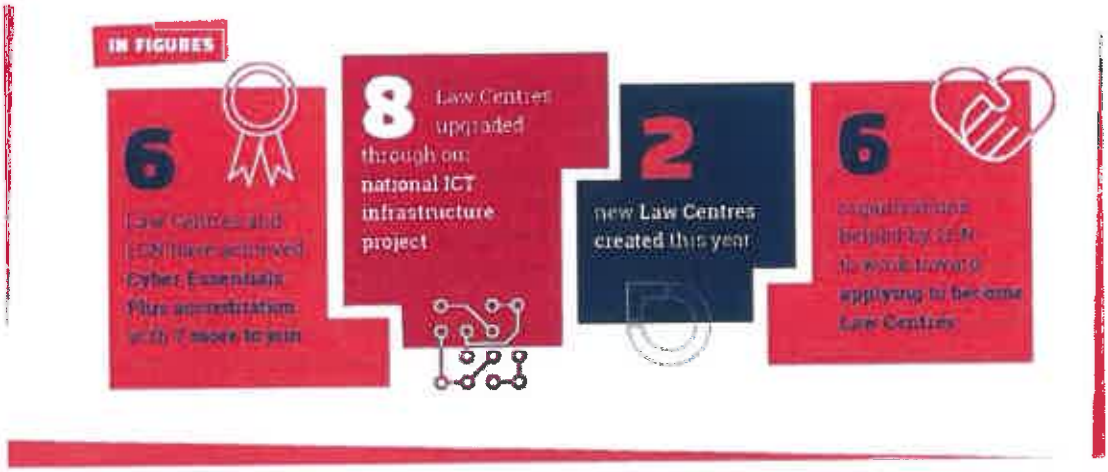
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Obj. 2 Workstream Tasks - Primary Blockers



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Some of our **impact:**



Strategic Objective 3 - Amplify the collective voice of Law Centres



The following programmes of work which was funded by:

- LCN Membership Subscriptions
- Esmée Fairbairn Foundation
- John Ellerman Foundation



To bring about a just and equal society, we need to work toward social change. To affect social change, we know that Law Centres must not stick to their proverbial knitting. Rather, we need to engage the public with what Law Centres' work teaches us about the change that our society needs. To do this well, LCN has identified as one of its key objectives the raising of Law Centres' profile, which in turn would enable us to amplify their advocacy voice.

Pursuing this, LCN aims first to establish Law Centres' standing in the discourse on social reform. We make people aware of Law Centres and what they do, emphasising their professionalism as law practices, their strong roots in their respective communities, and their places in a wider, longstanding movement. This then creates space for LCN to speak out more effectively: convey their clients' voices, to point out injustices and how they can be righted, and to support their arguments with data and expert analysis.

There are two distinct but overlapping parts to this work, the first is focused on policy and direct advocacy, and the second on communications (public advocacy), profile raising and building Law Centres' brand's recognition – that is, people's understanding of what we stand for and why they should listen to us. Last

year, these were borne out in four high level areas of work. To achieve this, we are undertaking the following initiatives:

Initiative Name	Description
Access to Justice Policy	Advocating with the government and other stakeholders for a fairer access to justice policy, beyond legal aid: this includes commissioning legal support services, maintaining the justice system's accessibility to vulnerable people through court reform and digitalisation, ensuring that new forms of dispute resolution better meet legal needs, and that legal service regulation is proportionate and enabling.
Civil Legal Aid Policy	Advocating with the government for better civil legal aid policy: more inclusive scope and eligibility, greater availability across the country, more streamlined processes and fairer remuneration - as well as greater infrastructure investment in local offices and the legal aid workforce.
Communications - External	This initiative covers LCN approach for raising the profile of Law Centres and their work externally.
Law Centre Branding	This is about developing and sharing the Law Centre branding material.
Communications - Law Centres	This initiative covers LCN approach for building Law Centres' capacity and skills around communications, including how LCN communicates with Law Centres
Law Centre Data	This is about building the data maturity of Law Centres to ensure they have the right skills, tools, leadership, culture and governance to collect, analyze and draw, as well as share, insights from the important data they hold on their operations and legal work.
Social Justice Advocacy	Collective heading for LCN's advocacy work on issues relating to Law Centres' work that are beyond the justice portfolio: these include migrant rights and migrant support, renters' rights and access to redress, workers' rights, disability rights and overall human rights.
Overcoming Language Barriers to Access Justice	The project will use LCN's policy expertise together with that of the partners to help remove barriers that prevent people who speak English as another language to access justice. We will use LCN's membership of various reference and advisory groups with Ministry of Justice (MoJ) and His Majesty's Court and Tribunal Service (HMCTS) to identify and advocate for changes required to services (including digital tools) to enable better access to the justice system. We will also work with the partner Law Centres to identify systemic barriers at a local level and identify and advocate for the change needed.

In a busier year than before, our policy work had two main preoccupations:

- **Advocating for greater access to justice**, especially for people in disadvantage: this included engagement with two comprehensive review of civil legal aid, one by the Ministry of Justice itself and another by the National Audit Office, to influence their findings and recommendations. We also engaged with the Opposition to get new policy ideas into circulation, contributing to a pamphlet by the Society of Labour Lawyers espousing a national legal service. We have also influenced policymakers on the direction of existing provisions, such as the Home Loss Prevention Advice Service and the review of legal aid's means threshold, both showing initial promise.

- **Advocating for the rights of disadvantaged groups** and upholding them: here we have continued and escalated two pre-existing advocacy projects. As part of the Renters Reform Coalition we campaigned for the housing rights of the UK's 13m private renters, including affordability, home standards, protections and preventing evictions. We have also been advocating for migrants' rights through two joint campaigns and beyond them. This has

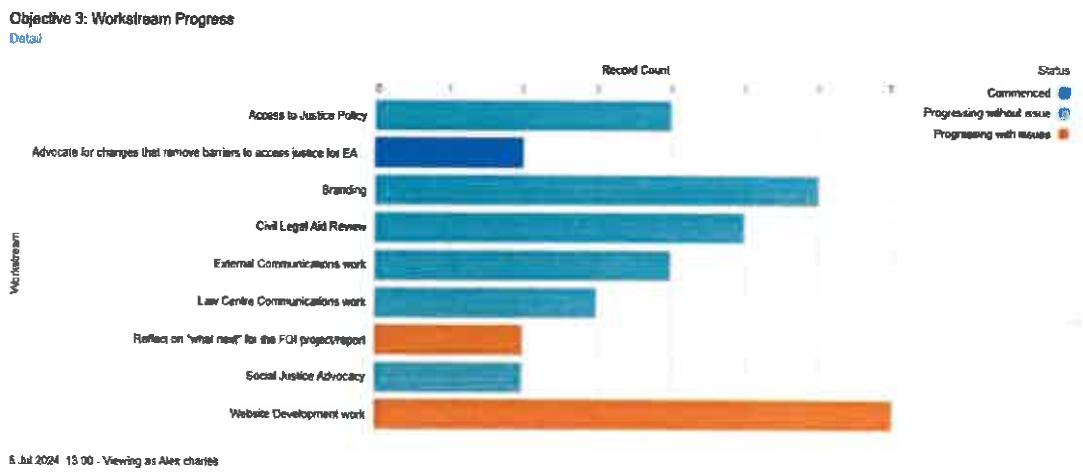
included asylum seekers' right to work and to reunite with families already in the UK, as well as ensuring that, if a migrant is detained and faces removal from the UK, they can access a legal aid lawyer to defend their rights.

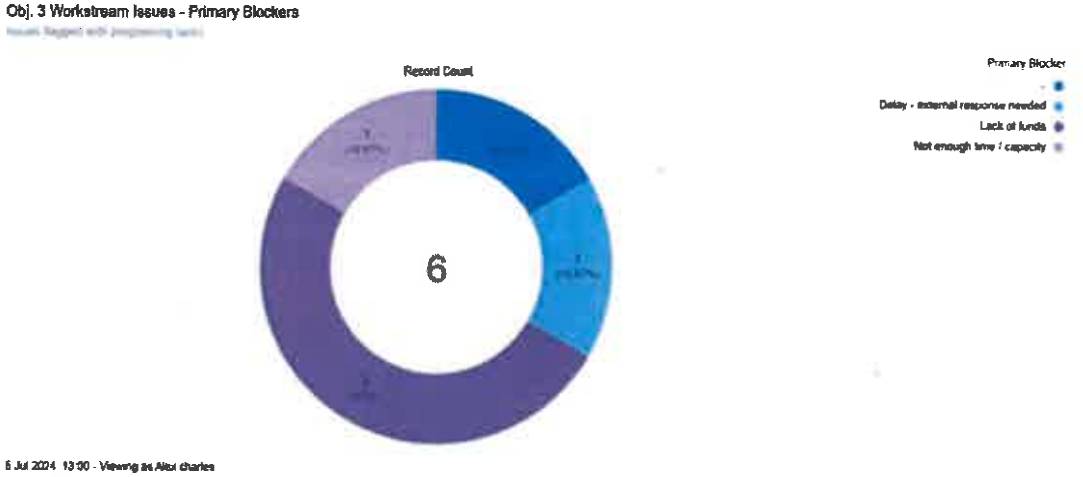
Our communications and profile-raising work has also seen a busy year, chiefly on two fronts:

- **Stepping up our communications output and its impact**: we have put in considerable work to post more digital content on our website and social media, that would reach more people and engage them with more attractive, more visual content. Along with this, we have worked with Law Centres to support the network of new and existing communications role holders across the county. We also helped them respond to news media enquiries more effectively, resulting in an increase in media appearances, especially in national publications/channels. In terms of content, our communications combine three main factors: showcasing Law Centres, their people and work; platforming our advocacy work, as above; and, importantly, featuring Law Centre clients' voices.



Relaunching our website, sporting refreshed branding: in December, we were very happy to relaunch our website, that serves a dual role as LCN's own website as well as an entry point to local Law Centres and their services. The new website was largely developed in house, and takes a new, more semantic approach to how we present information, and uses no cookies. However, what visitors would notice most readily is the refreshed brand identity that it showcases: a clear, bolder look; an authentic, informed feel; and a brighter extended colour palette, all better to engage the public.



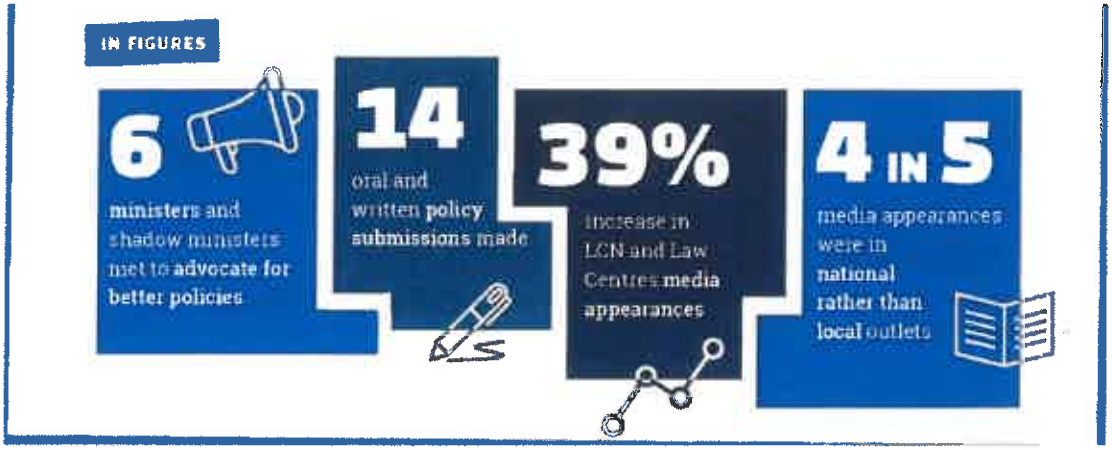


Some of our **Impact** of Objective 3:

The general election called in June has disrupted some work planned for the period, but it has not affected the accumulated impact of our advocacy and communications work. On the contrary, the change of government presents opportunities to build on last year's solid progress.

LCN has made the best case that it could have in the Review of Civil Legal Aid, and much of our evidence and arguments is reflected in the National Audit Office report, published in February. While the Renters (Reform) Bill fell away as Parliament was dissolved, there remains the political will to make generational changes to private renters' rights and, through our recent work, LCN is better placed than before to influence this.

A key plank in this influencing work is our communications and profile building, where LCN is in a stronger position than a year ago thanks to the developments reported above. We already see the increased media interest that this work has generated and look to better exploit it. This advancement also provides us with a good foundation to work more closely with member Law Centres on engaging new MPs and ministers with our calls to action on social justice.



The Future - the next 10 years

The simple reality is that the speed of change is such that detailed planning for any longer than 6-12 months is often of very limited value as the staffing, funding, political and technological environment changes at a pace which means that strategic and operational planning need to be agile and adaptable (to ensure that opportunities are taken and that risks are managed and mitigated).

For this reason, LCN has changed its approach to business planning. Instead of annual reviews, we have implemented a 6 monthly review process. At each review, detail for the coming six months will be updated and the plan will be extended so that it always looks at least three years into the future.

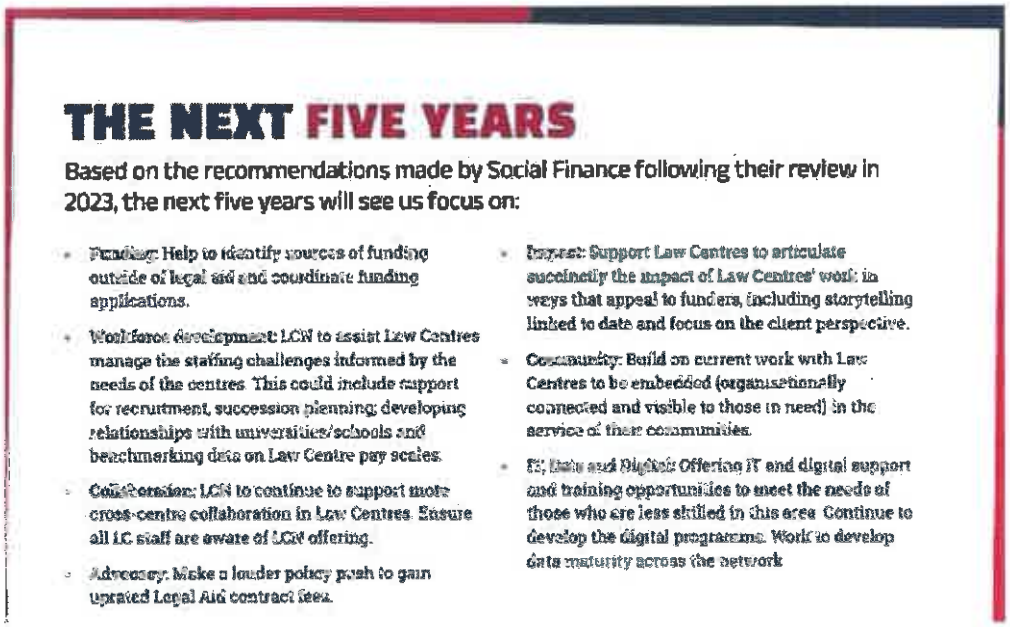
In December 2019 LCN set out a longer term (10 years) outlook for Law Centres and for LCN. This gives us a clear sense of direction and aspiration. In early 2024 we reviewed the 10 year outlook. Below is our ambition:

Our 10-year ambition is that we work towards:

1. The national network of Law Centres will have grown to at least 50 Centres;
2. All Law Centres will be resilient and secure with access to the latest technology and able to meet community needs and expectations;
3. Law Centres will be recognised as rights-based organisations working with local communities to use the law as a tool for change;
4. LCN will remain at the heart of the network providing an increased range of support services to Law Centres and recognised nationally as the voice of Law Centres and a champion for access to justice and social change.

The next 5 years

LCN's new strategic plan based on the updated Theory of Change has identified that in the coming 5 years we will focus on the following:



The Year Ahead - 2024/2025

Following the external review of LCN and the continued focus on our new Theory of Change, in 2024-2025 LCN aims to continue to work towards the following 3 objectives:

1. Help Law Centres to thrive – getting more help to people in need

2. Strengthen the network of Law Centres – solving bigger problems together

3. Amplify the collective voice of Law Centres – speaking out for change

Fundraising Practice

As for many charities, raising voluntary funds from trusts, foundations and individuals is a vital source of income for LCN, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

LCN believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. LCN is registered with the Fundraising Regulator.

LCN operates with a small internal fundraising team. LCN does not, nor will not, engage in face-to-face or telephone fundraising. LCN has received no complaints about its fundraising activities either during the financial year or subsequently.

GDPR and Cyber Essential

LCN continues to monitor our compliance with GDPR. LCN's Privacy Policy, published on our website, clearly states what personal data LCN will hold in relation to supporters and how this data will be used. It also sets out how individuals can raise concerns or complaints. In 2023-2024, we undertook the work to be certified as having met the Cyber Essential standard.

Financial review

The total net incoming resources for LCN were £32,386. (2023: outgoing resources (£156,667)).

LCN had a net deficit on unrestricted funds of (£13,946). Together with the accumulated surplus brought forward from previous years, the charitable company now has unrestricted funds of £98,899 (2023 £112,845).

Our main source of unrestricted income continues to be from subscriptions from Law Centres and donations. In addition, a contribution this year of £5,483 gifts-in-kind was generously provided by several law firms (2023: £9,470).

Restricted funds at 31 March 2024 amounted to £214,302 (2023: £167,970) This is sufficient for the activities for which the funds were provided.

Reserves policy

The Executive Committee has considered the following factors when considering a reserves policy:

- the organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- the organisation's obligation to maintain a safe and clean working environment;
- that certain equipment is essential for our work;
- that an increasing proportion of the organisation's income is now derived from fixed term project grants.

The Executive Committee agreed that LCN should aim to maintain unrestricted funds equal to six month's core service running costs. This amounts to £129,450. The current level of unrestricted reserves is £98,899, at Balance Sheet date. This is sufficient for LCN to run for 4.5 months.

The level of unrestricted reserves and available cash is sufficient for LCN to meet its obligations should it cease trading. With the award of new multi-year grants, the EC anticipates that they will achieve a small surplus in 2024 - 2025 and will aim to rebuild reserves to the level they believe is prudent given the current circumstances in the UK. The EC noted that LCN needs to secure additional core funding so that its financial position will be stronger in coming years and its reserves can be rebuilt.

Going Concern

At its meeting on 15 July 2024, the Executive Committee considered whether LCN will be a going concern for the coming twelve months. The EC was provided with draft end of year accounts, Quarter 1 2024/2025 Management Accounts including the Balance Sheet, revised budget 2024-2025 with cash flow projections to October 2025 and LCN Fundraising Strategy. They also considered Charity Commission Guidance as well as Guidance from the Auditors.

The EC discussed whether LCN has sufficient reserves to cover its liabilities should it have to close; they assessed whether the documents indicated that LCN is on sound financial footing for the immediate future. They considered the Reserves policy, how LCN manages its finances, its staffing requirements, its charitable objects, its strategic plan, its obligations to funders, the safeguards it has in place to protect against fraud, its leases and premises, and our current banking arrangements. Importantly the Committee considered the current funding climate. They asked whether LCN is robust enough to address unexpected situations. Finally, they discussed the likelihood of the number of Law Centres increasing or decreasing in coming years and what impact that would have. It was also asked whether LCN had considered merging with other charities. It was agreed that the Finance Sub-Committee should monitor cashflow and funding opportunities on a regular basis alongside the finance reports. It was agreed to review going concern at each EC meeting.

The Executive Committee agreed that LCN is a going concern until October 2025. They also noted that it needs to continue to secure core funding so that its financial position will be stronger in coming years.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Law Centres Federation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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; and
- 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.

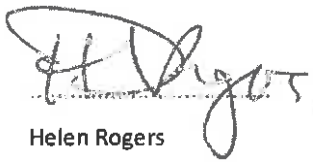
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Events since the end of the year

In the opinion of the Executive Committee no event since the balance sheet date significantly affects the company's financial position. However, the Executive Committee is continually monitoring LCN's current and future finances.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the Charity and its members, together with the review of Going Concern discussed above, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Approved by the Executive Committee on 14 October 2024 and signed on its behalf by:



Helen Rogers

Chair of Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAW CENTRES FEDERATION FOR YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Law Centres Federation ('the charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (including the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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.

Other Matter

The financial statements of the charitable Company for the year ended 31 March 2023 were not audited.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 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 there is 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 [strategic report and 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 have 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 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 26, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 19 November 2024
9 Appold Street
London
EC2A 2AP

LAW CENTRE FEDERATION

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

For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income and Endowments					
Donations	2a	-	125,489	**125,489**	169,244
Charitable activities	2b	540,154	425,584	**965,738**	728,686
Investments		-	478	**478**	169
Other	2c	-	5,273	**5,273**	14,492
Total		**540,154**	**556,824**	**1,096,978**	912,591
Expenditure on:					
Raising funds		-	50,853	**50,853**	43,475
Charitable activities	3	502,547	511,192	**1,013,739**	1,025,783
Total		**502,547**	**562,045**	**1,064,592**	1,069,258
Net income/(expenditure)		37,607	(5,221)	32,386	(156,667)
Transfers between funds	10	8,725	(8,725)	-	-
Net movement in funds	10	**46,332**	**(13,946)**	**32,386**	(156,667)
Reconciliation of funds:					
Total funds brought forward	10	167,970	112,845	**280,815**	437,482
Total funds carried forward		**214,302**	**98,899**	**313,201**	**280,815**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The accompanying notes form part of these financial statements.

LAW CENTRE FEDERATION

Balance sheet

As at 31 March 2024

	Note	£	2024 £	2023 £
Fixed Assets				
Tangible Fixed Assets	9	224		1,047
		224		1,047
Current assets				
Debtors	7	135,208		144,063
Cash at bank and in hand		372,417		295,756
Total Current Assets		507,625		439,819
Creditors: amounts falling due within one year	8	(194,648)		(160,051)
Net current assets			312,977	279,768
Net Assets			313,201	280,815
Funds				
Restricted funds				
In surplus	10		214,302	167,970
Unrestricted funds:				
General fund	10		98,899	112,845
of which designated			-	*20,593*
Total funds			313,201	280,815

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

Approved and authorised for distribution by the Executive Committee on 14th October 2024 and signed on its behalf by

Helen Rogers
Chair

Patrick Marples
Treasurer

The accompanying notes form part of these financial statements.

Company no. 2433492

Cash Flow Statement

For the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	15	**76,183**	**(115,336)**
Cash flows from investing activities:			
Interest income		**478**	169
Net cash provided by investing activities		**478**	169
Change in cash and cash equivalents in the reporting period		**76,661**	**(115,167)**
Cash and cash equivalents at the beginning of the reporting period		**295,756**	**410,923**
Cash and cash equivalents at the end of the reporting period		**372,417**	**295,756**

Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	372,417	295,756
Total cash and cash equivalents	372,417	295,756

Analysis of changes in net debt

	1 April 2023	Cash flows	31 March 2024
Cash	295,756	**76,661**	**372,417**
Total	295,756	**76,661**	**372,417**

Notes to the financial statements

For the year ended 31 March 2024

1.1) Accounting policies

Basis of Preparation

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when there is entitlement, it is measurable and receipt is probable. Intangible income is recognised as a gift in kind where the provider of the service has incurred a financial cost and is valued at the value to the charity. Income is deferred when it relates to a specific later period, or there are conditions yet to be fulfilled for entitlement.

c) Subscription income from Law Centre members is recognised in the year in which it relates.

d) Gifts in Kind reflect the costs of rooms, catering and staff support from Law Firms and other suppliers to promote seminars, training and advice sessions conducted by Law Centres Federation as well as pro bono legal advice provided to LCF. Gifts in Kind are either valued by the suppliers undertaking the work or, where this is not immediately obtainable, by taking a reasonable estimate of the length of time involved in doing the work multiplied by the Standard London pro-bono rate.

e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

f) Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

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 is an estimate, based on staff time, of the amount attributable to each activity.

- Direct service provision
- Cost of generating voluntary income
- Governance costs, which are included within support costs, include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

g) The costs of generating voluntary income relate to the costs incurred by the charity in raising funds for the charitable work.

h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value on a straight line basis over its expected useful life. The useful lives are as follows:

Computer equipment	4 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. During the period of their depreciation, assets are reviewed for impairment if circumstances indicated their carrying value may exceed their net realisable value and value in use.

i) 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.

j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

1.2) Going concern basis

The Executive Committee at each of its meetings throughout 2023-2024 considered its financial position and whether LCF continued to be a going concern. At its meeting on 15 July 2024 it also considered the guidance provided by the Charity Commission in relation to 'going concern'. The EC also considered LCN's ability to sustain and grow its membership and its cash position. The Executive Committee's Finance Sub-Committee monitored risk, LCF's future funding 'pipeline' and the financial position of Law Centres as part of its judgement about 'going concern'. LCF secured 4 new multi-year grants in the first 6 months of 2024 and continues to submit other funding applications.
EC noted that there is sufficient cash for the year ahead. There is concern that LCN's free reserves have dropped below the Charity Commission's recommendation of holding equivalent of 3 months of running costs. The EC are taking the necessary steps to mitigate this risk and aim to rebuild reserves in 2024/25. EC agreed that LCN is a going concern. The charitable company therefore continues to adopt the going concern in preparing its financial statements.

Notes to the financial statements

For the year ended 31 March 2024

1.3) Accounting estimates and judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.4) Staff Policies

The costs of short-term employee benefits are recognised as a liability and an expense.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

1.5) Financial Instruments

Basic Financial Instruments

The charity only holds basic financial instruments as defined by FRS 102.

a) Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b) Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at the recoverable amount. Debtors and creditors that are receivable of payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2a. Donations

	Restricted	Unrestricted	2024 Total	2023 Total
	£	£	£	£
Subscriptions - Law Centre members	-	95,100	**95,100**	89,600
Donations	-	30,389	**30,389**	79,644
Total	-	125,489	125,489	**169,244**

In the preceding year, 2022-23, donation of £36,226 was received to fund Family Law Workshops and was treated as a Restricted fund.

2b. Charitable Activities

	Restricted	Unrestricted	2024 Total	2023 Total
		£	£	£
AB Charitable Trust	-	55,000	**55,000**	50,000
Allen & Overy Foundation	-	8,000	**8,000**	-
Access to Justice	-	-	-	10,000
Baring Foundations	184,454	-	**184,454**	184,729
Bell Foundation	7,210	-	**7,210**	8,020
Comic Relief	-	-	-	6,986
East Midland Business Ltd		15,000	**15,000**	
Esmee Fairbairn Foundation	-	65,000	**65,000**	78,000
IT - Digital Transformation (TNLCF)	17,500	-	**17,500**	91,250
IT National Project (TLEF)	-	-	-	85,600
John Ellerman Foundation	-	48,000	**48,000**	49,000
Law Society	22,500	-	**22,500**	-
London Legal Support Trust	285,990	5,000	**290,990**	33,350
Money For LC _TLEF	-	-	-	20,000
Paul Hamilyn Foundation	-	100,000	**100,000**	-
Sustainability (TLEF)	-	-	-	16,667
Workforce Development (TLEF)	22,500	-	**22,500**	7,500
Trust for London Post Brexit	-	-	-	24,500
Training Fee /Services to LCs	-	124,101	**124,101**	39,738
Gifts in Kind	-	5,483	**5,483**	9,470
Annual conference	-	-	-	13,876
Total	540,154	425,584	965,738	**728,686**

In the preceding year, 2022-23, £245,426 of total income from charitable activities were related to unrestricted funds and £483,260 attributable to restricted funds.

Notes to the financial statements

For the year ended 31 March 2024

2c Other income

	Restricted	Unrestricted	2024	2023
	£	£	£	£
Sundry income	-	5,273	5,273	14,492
Total	-	5,273	5,273	14,492

In the preceding year, 2022-23, £14,492 were attributable to unrestricted income.

3. Total expenditure

	Raising Funds	Charitable Activities	Support Costs	2024	2023
	£		£	£	£
Staff costs	45,152	355,926	55,070	**456,148**	**481,490**
Staff Travel, Training, Recruitment & Mtgs	-	7,524	3,228	**10,752**	**13,145**
Governance costs	-	28,220	-	**28,220**	**11,362**
Premises costs	-	26,817	-	**26,817**	**25,967**
Office costs, ICT, Insurance & Comms	-	6,954	3,667	**10,621**	**8,735**
Legal and Professional Fees	-	3,430	-	**3,430**	**9,495**
Services to Law Centres	-	119,206	-	**119,206**	**77,776**
Grants & Payments to Law Centres	-	310,678	-	**310,678**	**128,482**
Annual Conference & Events	-	-	-	-	**23,947**
Subscriptions & Journals	-	8,872	-	**8,872**	**10,186**
Training and Course Costs	-	1,963	-	**1,963**	**12,422**
Website / Digital Development	-	54,336	-	**54,336**	**24,936**
Project specific cost	-	28,067	-	**28,067**	231,845
Gifts in Kind	-	5,483	-	5,483	9,470
Total expenditure	45,152	957,475	61,965	1,064,592	1,069,258
Support Costs	5,701	56,264	(61,965)	-	-
Total expenditure	50,853	1,013,739	-	1,064,592	1,069,258

In the preceding year, 2022-2023, £592,394 of expenditure was attributable to unrestricted funds and £476,864 attributable to restricted funds.

3 Total expenditure (comparision 2023)

	Raising Funds	Charitable Activities	Support Costs	2023	2022
	£	£	£	£	
Staff	36,907	368,619	75,964	481,490	**512,238**
Staff Travel, Training, Recruitment & Mtgs	-	10,403	2,742	13,145	**11,323**
Governance costs	-	11,362	-	11,362	**14,987**
Premises costs	-	25,967	-	25,967	**23,284**
Office costs, ICT, Insurance & Comms	-	3,410	5,325	8,735	**13,344**
Legal and Professional Fees	-	7,833	1,662	9,495	**6,780**
Services to Law Centres	-	77,776	-	77,776	**75,071**
Grants & Payments to Law Centres	-	128,482	-	128,482	**242,509**
Annual Conference & Events	-	23,947	-	23,947	**10,802**
Subscriptions & Journals	-	10,186	-	10,186	**9,651**
Training and Course Costs	-	12,422	-	**12,422**	**149**
Website / Digital Development	-	24,936	-	**24,936**	**8,700**
Bad debts expense	-	-	-	-	
Project specific cost	-	231,845	-	**231,845**	**298,279**
Gifts in Kind	-	9,470	-	**9,470**	-
Total expenditure	**36,907**	**946,658**	**85,693**	1,069,258	1,227,117
Support Costs	6,569	79,125	(85,693)	-	-
Total expenditure	43,475	1,025,783	-	1,069,258	1,227,117

3a Analysis of Grant Payments to Law Centres

	2024	2023
	£	£
Baring Foundations	126,918	30,482
Justice Fund - Money for LC	-	60,000
LLST - Cost of Living	55,000	28,000
LLST - Propel	128,760	-
TFL - Post Brexit	-	10,000
Total	**310,678**	**128,482**

3b Analysis of governance costs

	2024	2023
	£	£
Annual Report	3,972	1,815
Audit fees	17,700	2,428
Independent examiner fees (2023)	4,440	6,000
EC travel (reimbursed)	1,276	1,119
Governance meetings	832	-
Total	**28,220**	**11,362**

4. Net Income / (Expenditure) for the year

This is stated after charging:

	2024	2023
	£	£
Executive Committee's reimbursed expenses	1,276	1,119
Auditors' remuneration		
▪ Audit*	14,750	2,428
▪ Independent Examination	4,400	6,000
Operating lease rentals:		
▪ property	10,584	9,486

Audit Fees for the financial year 2023-24 totalled Ê14,750 (excluding VAT). An independent examination was undertaken relating to the prior year ended 31 March 2023, fees paid totalled 10,000 of which £4k was incurred during current year ended 31 March 2024 (2023: £6k).

5. Staff costs and numbers

	2024	2023
Staff costs were as follows:	£	£
Salaries and wages	397,651	416,967
Social security costs	30,661	36,248
Pension contributions	27,836	28,275
Total	**456,148**	**481,490**

5a. Staff costs by activities

	2023	2023
	£	£
Raising Funds	45,153	36,907
Charitable Activities	355,925	368,619
Support Cost	55,070	75,964
Total	**456,148**	**481,490**

One employee earned more than £60,000 during the year.
Total pension contributions paid during the year in relation to this employee was £4,841 (2022-23: £4,592).

5b. Staff numbers by activities

The average monthly number of employees (full-time equivalent) during the year is as follows:

	Head Count		Full Time Equivalent	
	2024	2023	2024	2023
	No.	No.	No.	No.
Cost of generating income	4	4	0.7	0.6
Support costs	3	4	1.3	1.6
Direct Service provision	5	5	6.4	7.0
Average Employee Numbers	12	13	8.4	9.2

Staff have been allocated to areas of work where they spend most time.

5c. **Key Management Personel**

The Key Management of the Charity is considered to be the Director, Finance Officer & Trustees. The total employee benefits of the key management personnel were £98,250 (2022-23: £97,179), which includes total employer NIC Contributions of £4,562 (net of 5k employment Allowance) and total employer pension contributions of £6,129.

Trustees are not remunerated but are reimbursed for travel and subsistence expenses incurred through attendance of governance meetings.

Executive Committee expenses of £1,276 were incurred in 2023- 2024 (£1,119 in 2022-23). None of the 17 members (16 members to Nov 2023; 17 members from Nov 23) of the committee serving during 2023 -24 were remunerated.

6. **Taxation**

All income is charitable and applied for charitable purposes only and thus is exempt from Corporation Tax.

7. **Debtors**

	2024	2023
	£	£
Grants receivable	3,605	18,582
Prepayments	32,819	48,492
Conference fees	300	8,487
Membership & Lexis Nexis	27,164	35,092
VAT Due	4,546	910
Professional Indemnity Insurance	61,011	30,553
Other debtors	5,763	1,947
Total	135,208	144,063

8. **Creditors:**

	2024	2023
	£	£
Trade creditors	24,243	16,691
Taxation and social security	10,464	9,376
Accruals	26,284	30,516
Pension contributions	6,441	3,175
Deferred Income	97,966	70,380
Amount held on behalf of Law Centres	27,673	27,673
Other creditors	1,577	2,240
Total	194,648	160,051

8a.

	2024	2023
	£	£
Balance at the beginning of the year	70,380	-
Amount relesased to income in the year	70,380	-
Amount deferred in the year	97,966	70,380
Balance at the end of the year	97,966	70,380

Deferred income for the year includes £87,966 for invoicing of the Professional Indemnity Insurance in March 24, which relates to the next financial year 2024-25, along with a £10,000 grant from the Talent Fund, received in advance for the 2024-25 period. Deferred income of £70,380 in 2023 corresponds to the invoicing of the Professional Indemnity Insurance in March 23, which was applicable to and released in the 2023-24 financial year.

9. Fixed assets	Computer equipment £	Total £
Cost		
As at 01 April 2023	15,838	**15,838**
Additions	-	-
As at 31 March 2024	**15,838**	**15,838**
Depreciation		
As at 01 April 2023	14,790	**14,790**
Charge for the year	824	**824**
As at 31 March 2024	15,614	**15,614**
Net book value		
As at 31 March 2023	1,047	**1,047**
As at 31 March 2024	224	**224**

10. Movements in funds

Restricted funds:	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Baring Foundation	139,153	184,454	170,455	-	**153,152**
Bell Foundation	-	7,210	7,210	-	-
IT - Digital Transformation (TNLCF)	12,917	17,500	39,142	8,725	-
Law Society	-	22,500	22,500	-	-
London Legal Support Trust - Cost of Living	-	60,990	60,990	-	-
London Legal Support Trust - Propel	-	225,000	163,850	-	**61,150**
Philip King Charitable Trust	15,900	-	15,900	-	-
TLEF - Workforce Development	-	22,500	22,500	-	-
Total Restricted Funds	**167,970**	**540,154**	**502,547**	**8,725**	**214,302**
Unrestricted funds **	112,845	556,824	562,045	(8,725)	**98,899**
of which designated £20,593	*20,593*	-	-	*(20,593)*	-
Total Funds	**280,815**	**1,096,978**	**1,064,592**	-	**313,201**

Comparative information: Movements in funds for year ended 31 March 2023

Restricted funds:	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers	At the end of the year £
AB Charitable Trust (Nth Wales Law Centre)	20,000	-	20,000	-	-
Baring Foundation	-	184,729	45,576	-	**139,153**
Bell Foundation	1,107	8,020	9,127	-	-
Comic Relief	-	6,986	6,986	-	-
IT - Digital Transformation (TNLCF)	84,001	91,250	162,334	-	**12,917**
IT - Digital Upgrade(TLEF)	10,413	85,600	96,013	-	-
London Legal Support Team	-	33,350	33,350	-	-
Mischon Donation	-	23,973	23,973	-	-
Philip King Charitable Trust	8,697	12,253	5,050	-	**15,900**
Sustainability (TLEF)	595	16,667	17,262	-	-
TLEF (Money for NWLCSG)	-	20,000	20,000	-	-
TLEF (Work force Development)	-	7,500	7,500	-	-
Trust for London Post Brexit	535	24,500	25,035	-	-
Gifts in Kind		4,658	4,658	-	-
Total Restricted Funds	**125,348**	**519,486**	**476,864**		**167,970**
Unrestricted funds **	312,134	393,105	592,394	-	112,845
of which designated	*62,253*	*34,757*	*76,417*	-	*20,593*
Total Funds	**437,482**	**912,591**	**1,069,258**	-	**280,815**

10. Movements in funds (continued)

Purposes of restricted grant funds received:

Baring Foundation: restricted 3 year grant to undertake in-depth work with three Law Centres (Suffolk, Vauxhall (Liverpool) and Derbyshire) to develop and scale hub activities in their locales to achieve longer-term social change for their communities and beyond.

Bell Foundation: Project initially lead by Harrow Law Centre to support victims of Crime, particularly those who speak languages other than English. LCN's role is to extend the learning from Harrow's project to other Law Centres with view to establish model in other parts of the UK.

Legal Education Foundation: Workforce Development - 1 year restricted grant to scope a scheme to assist Law Centres outside London recruit and retain staff.

London Leagal Support Trust - Cost of Living Project: Funds grant to support London Law Centres work to increase advice capacity to help people affected by the rising cost of living; improve community outreach; increase provision of specialist legal advice in the boroughs of Brent and Haringey.

London Legal Support Trust - PROPEL: 3 year grant to develop London Law Centres' workforce, including funding legal apprentices at 5 Law Centres.

National Lottery Community Digital Fund: Final year of a three year grant aimed at digital transformation within Law Centres. £8,725 was transferred from LCN unrestricted funds to cover the budget overspend.

Philip King Charitable Trust: This grant was provided to support the development of the Ride for Justice fundraising event and other fundraising activities aimed at securing funds for Law Centres.

The Law Society: Two year grant to review and further develop the Law Centres' Platform aimed at improving online collaboration, support, and sharing of resources.

Purposes of unrestricted grant funds received:
The following funding is included within the unrestricted funding line in note 10. See note 2b for a detailed breakdown of unrestricted income.

AB Charitable Trust: 5 year unrestricted core fund grant to LCN to increase capacity and extend the impact of LCN's work based on recommendations from the Strategic Review of LCN conducted in 2018. This grant ends in early 2024.

Esmee Fairbairn Foundation: An unrestricted two year grant to contribute to core costs to maintain capacity and delivery on LCN's policy objectives.

John Ellerman Foundation: An unrestricted three year core fund granted to support LCN focus on further developing its strategy and theory of change, and to make community engagement more central to our work.

Paul Hamlyn Foundation: An unrestricted five year core grant provided to work on influencing government departments and other public bodies on the future of a fair and effective justice system, particularly in response to the impact of changes arising from the Covid pandemic.

11. Net Assets by Fund

	Unrestricted £	Restricted £	2024 Total £
Fixed Assets	224	-	**224**
Cash	122,073	250,344	372,417
Other Net Assets	(23,399)	(36,042)	(59,441)
Net Current Assets / (Liabilities)	**98,674**	**214,302**	**312,976**
Total	**98,898**	**214,302**	**313,200**

11a. Net Assets by Fund (2023 Comparison)

	Unrestricted £	Restricted £	2023 Total £
Fixed Assets	**1,147**	-	**1,147**
Cash	127,786	167,970	**295,756**
Other Net Assets	(16,088)	-	(16,088)
Net Current Assets / (Liabilities)	**(15,988)**	**167,970**	**(15,988)**
	112,845	**167,970**	**280,815**

12. Operating lease commitments

Property	2024 £	2023 £
Within 1 year	**10,584**	9,486
	10,584	9,486

13. Related party transactions

Some members of LCN's board of trustees work in community Law Centres that receive funds from LCN. When funding decisions are taken in respect of these community Law Centres, the relevant representative is excluded from the discussions taking place.

	2024	2023
	£	£
Camden Law Centre	**15,900**	10,500
Derbyshire Law Centre	**40,666**	9,834
Ealing Law Centre	**25,752**	-
South West london Law Centre	**25,752**	15,000
Vauxhall Law Centre	**39,852**	-

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

	2024	2023
	£	£
Net income/(expenditure) as per the statement of financial activitie	**32,386**	(156,667)
Adjustments for:		
Depreciation charges	**824**	1,207
Investment income	**(478)**	(169)
Decrease in debtors	**8,855**	18,997
Increase in creditors	**34,597**	21,297
Net cash provided by / (used in) operating activities	**76,184**	**(115,336)**

15. COMPARATIVE INFORMATION:Statement of financial activities (incorporating an income and expenditure account) for year ended 31 March 2023

			2023	2022
	Restricted	Un restricted	**Total**	Total
	£	£	£	£
Income and Endowments				
Donations	36,226	133,018	**169,244**	159,847
Charitable activities	483,260	245,426	**728,686**	893,971
Investments	-	169	**169**	37
Other	-	14,492	**14,492**	3,753
Total	519,486	393,104	**912,591**	1,057,608
Expenditure on:				
Raising funds	-	43,475	**43,475**	33,064
Charitable activities	476,864	548,918	**1,025,783**	1,194,053
Total	476,864	592,393	**1,069,258**	1,227,117
Net income/(expenditure)	42,623	(199,290)	**(156,667)**	(169,509)
Transfers between funds	-	-	-	-
Net movement in funds	42,623	(199,290)	**(156,667)**	(169,509)
Reconciliation of funds:				
Total funds brought forward	125,348	312,134	**437,482**	606,991
Total funds carried forward	167,971	112,844	**280,815**	437,482

LAW CENTRES FEDERATION

England & Wales - Charity number 1088588

Accounts

Company no. 2433492
Charity no. 1088588

Law Centres Federation

Report and Unaudited Financial Statements

31 March 2023

Law Centres Federation
Reference and Administrative Details for the year ended 31 March 2023

Company number 2433492
Charity number 1088588
Registered office and operational address
1 Lady Hale Gate
Gray's Inn
London
WC1X 8BS

Executive Officers
The following served on the executive Committee throughout the year:
From 1 April 2022 to 2 December 2022:

Chair:	Helen Rogers
Vice Chair:	Patrick Marples
Vice Chair:	Ursula O'Hare
Treasurer:	Sean Canning
Secretary:	Victoria Fewkes

Committee Members: Helen Bagley
Sophie Brown (co-opted 11 April 2022)
Sara Chandler
Claudia Estephane (until 11 April 2022)
Vicky Fewkes
Manuela Grayson
Ngaryan Higham (Li)
Peter Kandler
Sue James
Pamela Robotham
Daniel Scrase (co-opted 11 July 2022)
Claire Stern
Linda Summers

From 2 December 2022 to 31 March 2023:

Chair:	Helen Rogers
Vice Chair:	Ursula O'Hare
Vice Chair:	Vicky Fewkes
Treasurer:	Patrick Marples
Secretary:	Ngaryan (Higham) Li

Committee Members: Helen Bagley
Sara Chandler (co-opted on 12 December 2022)
Michael Fawole
Najwa Hassan
Laura Hastie
Peter Kandler (co-opted on 12 December 2022)
Victor McAllister
Lydia Nash
Pamela Robotham (co-opted on 12 December 2022)
Emma Stradling
Linda Summers

On 31st March 2023 there were 2 elected vacancies on the committee.
The officers and committee members are all members of the Executive Committee.

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 41.

Members of the Executive Committee had no beneficial interest in the charity.

Bankers: The Cooperative Bank
Islington High Street
London
N1 9TR

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

Charity Bank Ltd
Fosse House
182 High Street
Tonbridge
TN9 1BE

Independent Examiner: Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2023

The Law Centres Federation is a registered charity and a company limited by guarantee. It is governed by the Memorandum and Articles of Association created in 1978 and last updated at the 2022 AGM. The company is registered at Companies House, registration number 2433492. The company is also a Registered Charity registration number 1088588.

The Law Centres Federation trades as the Law Centres Network (LCN).

The reference and administrative details on page 1 form part of this report.

The Executive Committee, which is also the Board of Directors of the charitable company for the purposes of the Companies Act, submit its annual report and financial statements of the Law Centres Federation for the year ended 31 March 2023. The Executive Committee confirms that the annual report and financial statements of the Law Centres Federation comply with current statutory requirements, the requirements of its governing document, as provided in its Memorandum and Articles of Association, and the provisions of Accounting and Reporting by Charities preparing their accounts in accordance with Accounting and Reporting by FRS 102 Charities SORP.

Election of Directors/Trustees to the Executive Committee and ongoing Training

LCN is governed by an elected Executive Committee which has corporate and legal responsibility for all activities and functions of the organisation.

People are nominated prior to election, or re-election, by member Law Centres at the Annual General Meeting, in accordance with the Memorandum and Articles of Association of the Law Centres Federation. This provides for the election of 15 members: five officers, five representatives of member Law Centres' management committees and five employees of member Law Centres. Up to five additional Executive Committee members may be appointed by co-option.

The Law Centres Network is committed to ensuring that the membership of the Executive Committee reflects the diversity of its member Law Centres. It annually reviews its composition for diversity as well as the skills of its members to ensure that a balance is maintained of geographic, developmental, financial, legal and management skills across the Executive Committee to enable it to discharge its duties.

An induction event is offered to new Executive Committee members at the beginning of their term of office. All new Executive Committee members receive an induction pack that includes information about the Law Centres Network, and a briefing that outlines the roles and responsibilities of the Executive Committee as both company directors and charity trustees. Recent copies of minutes, management accounts and management reports, together with copies of the Memorandum and Articles of Association, are included in the induction pack. This pack is available online for all committee members.

Charity Governance Code

Throughout the year, trustees are provided with updated information on changes to relevant legislation, their responsibilities as trustees, new guidance provided by the Charities Commission including new guidance in September 2023 on charities use of Social Media, or other relevant information that may assist them to carry out their duties as Trustees. We also provide training on relevant topics and invite speakers to the Board Meetings as part of our ongoing training for trustees.

Trustees are aware of the Charity Governance Code published in 2017 that sets out the principles and recommended practice for good governance within the sector. LCN has reviewed its governance

arrangements against the principles within the Code and believes that it is compliant whilst maintaining its need to operate its governance efficiently.

The charity purchased insurance costing £966 included in Support Costs, to protect it from loss arising from neglect or default of the Trustees Directors / Executive Committee members and to indemnify the Trustees against the consequences of neglect or default on their part.

Risk Management

The Executive Committee (EC) has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The system of internal controls is designed to provide assurance that the charity's funds are used in line with its charitable objects, for the purposes for which they were granted and for the public benefit. These controls include:

- A strategic plan and an annual budget approved by the Executive Committee.
- Regular oversight and consideration by the Executive Committee of financial information, variance from budgets and non-financial performance reports.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Overall responsibility for the Law Centres Network rests with the Executive Committee. Day-to-day management of the LCN has been devolved to the Director.

The LCN undertakes formal risk management reviews. The Finance sub-committee of the EC has been charged with monitoring risk each quarter to report back to the EC meeting and alert it of any new risks of issues of concern. The Sub-Committee reviews the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways to mitigate the risks.

LCN identified the key risk in the coming three years as: securing sufficient core funds particularly given the ongoing impact of inflation, cost of living crisis and ending of multi-year grants; loss of key personnel; and the ongoing difficulty Law Centres, and all across the legal aid sector, have recruiting and retaining suitably qualified staff. The Trustees also consider the potential impact of political instability and a regularly changing policy environment as a risk for both Law Centres and LCN. Mitigations are in place for each of these risks.

The Executive Committee is pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Pay and remuneration of the charity's key management personnel

All LCN staff including key managers have their salary set against the NJC Pay Scales. New staff starting salary is set at the pay point which most closely matches their job description. Increases to the Award, which occur from time-to-time, are passed on to staff. The Human Resources Sub-Committee of the Executive Committee monitor salary policy and make changes as required.

Public Benefit

The Executive Committee (EC) considers that the activity undertaken to achieve its Vision and Mission are for the benefit of the public. The EC referred to the guidance contained in the Charity Commission's general guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB")' when reviewing its strategic objectives and setting the approach it will take as part of its annual planning process. The EC also reviews progress against the objectives and activity undertaken on a quarterly basis.

LCN's activities benefit the public in 3 ways:

1. Through working with organisations to establish Law Centre services in new areas, thereby increasing access to free legal assistance for people in financial hardship.

2. Through providing services to Law Centres that enable them to provide legal services to vulnerable and disadvantaged people in their communities with activities such as assisting with tender preparation and funding bids, training, governance support, facilitating effective collaboration and sharing of resources.
3. Through policy work that seeks to address the underlying causes of people's legal problems through strategic projects, through responding to consultations, participating in reviews, representing Law Centres with decision makers, and through working to extend the availability of free legal services for disadvantaged people.

LCN reports publicly on its activity and impact in its Annual Review available on our website: http://www.lawcentres.org.uk/policy/papers-and-publications and published with our annual return to the Charities Commission.

Throughout 2022-2023 LCN considered all its activities were for the benefit of the public and were guided by our strategic plan.

Objects and Activities

The Law Centres Federation (LCN) is the national organisation that represents Law Centres. The term "Law Centre" is a registered trademark, available for use only by members of the Law Centres Federation.

The objects of the Law Centres Federation (LCN) are:

1. To relieve charitable need, in particular financial hardship, and in so doing provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom
2. To advance the education of the public by assisting Law Centres in improving and diffusing knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas or the law which are of particular concern to poor people or are directed to the relief of poverty.

Law Centres are not-for-profit legal service providers, specialising in social welfare law (housing, immigration, employment, welfare benefits, mental health, community care, public law, etc) and related areas of law that affect people in their daily lives, particularly people who are vulnerable and/or economically disadvantaged. Without Law Centres hundreds of thousands of people would have no meaningful access to justice and could not resolve their problems so would be hindered from taking up opportunities.

To become a Law Centre an organisation needs to be vetted by the Law Centres Network, and then voted in by the current membership at a General Meeting. To enjoy the benefits of membership each Law Centre has to comply with membership regulations, including employing at least 2 lawyers and having an independent management committee drawn from the community it serves.

On 31 March 2023 there were 41 Law Centres operating that are members of the Law Centres Network. LCN also has 2 Affiliates. Affiliate status is intended specifically for collegiate law clinics, operated by law students under professional supervision, to ally themselves with Law Centres' work for access to justice and to suggest social welfare law as a career path to a new generation of legal professionals.

The Executive Committee secured resources to employ a Director with 12 staff to implement the organisation's strategic objectives in 2022-2023. These are reviewed and agreed each year so that LCN can achieve its vision and mission:

LCN's Vision - The Law Centres Network strives for a just and equal society where everyone's rights are valued, defended and protected.

LCN's Mission - We uphold justice for socially and economically disadvantaged members of society by supporting a national network of Law Centres that use their legal skills as a tool for change and their legal expertise to defend the rights of people in their communities. We represent Law Centres at all levels of government and national forums, we help centres to maximise their potential as sustainable

organisations, we initiate new Law Centre services for particularly vulnerable groups, and we champion the Law Centre model. We are the collective voice of Law Centres.

LCN's Strategic Goals for 2022-2023

1. Help Law Centres to thrive
2. Strengthen the network of Law Centres
3. Amplify the collective voice of Law Centres

The Law Centres Network acts as a catalyst for activity across Law Centres, working on a national level to reveal injustice, analysing needs and root causes and advocating for change. LCN is uniquely placed to identify what has worked, collect evidence and share that learning across the network of Law Centres and then support other Law Centres to take up proven methods. It drives quality across Law Centres and enables local Law Centres to join together so they can design strategic national responses and exert influence, yet still be embedded in and driven by the needs in their local communities. In this way LCN achieves its charitable objects and its public benefit is produced.

Impact 2022-2023



In early 2019, LCN engaged Social Finance to carry out an external Strategic Review of LCN. Following the strategic review in 2019, Social Finance made recommendations for each of the key components of LCN's offering which formed the basis of LCN's 10 year outlook (2019-2029) and LCN's three year strategic plan (2019-2022). In late 2022, LCN again engaged Social Finance to review it's progress against the recommendations they had made in 2019, but with particular regard to the impact of the pandemic on the support needs of Law Centres.

Social Finance found:

> *"The offer from LCN was described as **'excellent', 'responsive'** and **'first rate'** and was evidently well valued and appreciated. Respondents expressed their gratitude to the team for the hard, impactful work"*

In relation to LCN's progress against their 2019 recommendations, they found:

> *"Most of these recommendations were progressed, however, the pandemic hugely impacted the work of LCN as it worked to support Law Centres through the crises - particularly in relation to respond to the increased demand they saw and the changing ways in which they were able to work with clients."*

Consequently, at the strategic planning session in March 2023, LCN staff and Executive Committee used Social Finance's findings to consider LCN's progress towards achieving its strategic goals, along with its impact over 2022-2023. This is reported on below:

Progress against LCN's Strategic Goals for 2022-2023

Strategic Goal 1 - Help Law Centres to thrive

2022-2023 priorities to achieve the objective to **Help Law Centres to thrive** were to implement the following programmes of work:

1. Community Engagement
2. Law Centre Support
3. Fundraising for Law Centres
4. The Box – a platform to share resources and learning
5. Data
6. Digital

"Whenever we've needed anything, big or small, it's always easy to contact you. Every time I reached out to LCN for support it has been there in spades!"

Community Engagement Programme

This programme aims to support Law Centres to embed themselves in their local community. Every community is a unique eco-system with specific challenges; through this programme we help members to better understand those challenges, build partnerships with local

Our community of practice continued to meet regularly – a virtual space where practitioners meet to share their learning and wrestle together with the challenges they face. We supported the group to become peer-led and embraced opportunities to explore the purpose and format of the space, and its relationship to other connected Law Centre work, such as communications.

We have launched a new piece of work which explores the role of Law Centres as 'hub organisations' within their communities. Hub organisations collaborate with other civil society organisations (such as tenants' rights, community, and campaigning groups) to help them recognise when, where and how legal action can be used as a tool to achieve social change. LCN is leading on this work, supporting Vauxhall, Suffolk, and Derbyshire Law Centres to explore how they might approach such a model. This started with our launch event in March 2023 where Law Centres developed theories of change and mapped their local civil society communities to identify key partners. Over the next three years, they will work to build collaborative local networks and explore how they can use their legal skills to inform, advise, and represent groups and organisations to achieve meaningful social change. We are grateful to The Baring Foundation for supporting this work, and to DLA Piper for hosting our launch event.



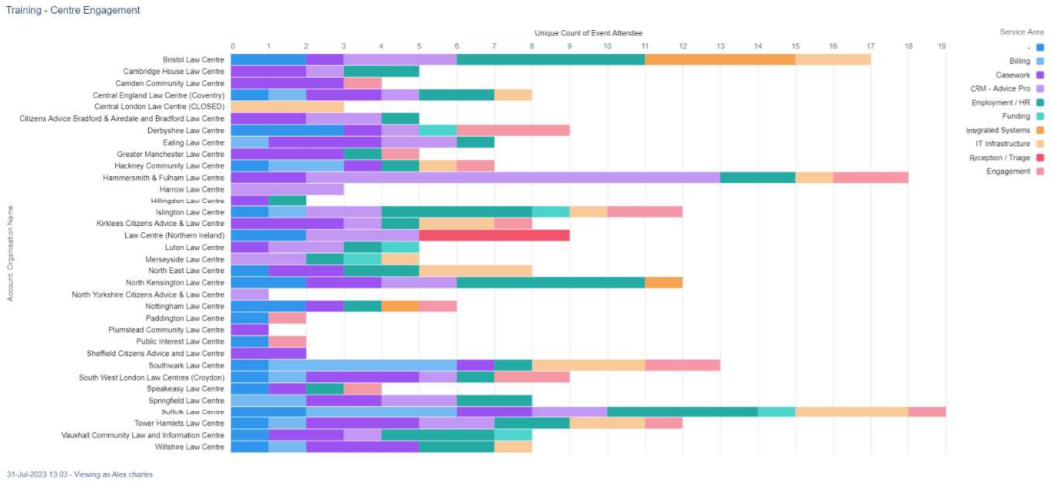
We also spent time considering our role in community engagement in light of the size of the network and our own resource and capacity (not to mention the increasing demand for Law Centre services, which has a direct impact on their capacity to undertake this and other kinds of non-advice work). We decided to focus our energies where we could have most impact - surfacing good examples and best practice and providing Law Centres with practical guidance to help them develop their own practice. At the end of the year we recruited an Assistant Community Engagement Officer to support this approach, which we have developed during 2022-2023.

Law Centre Support Programme

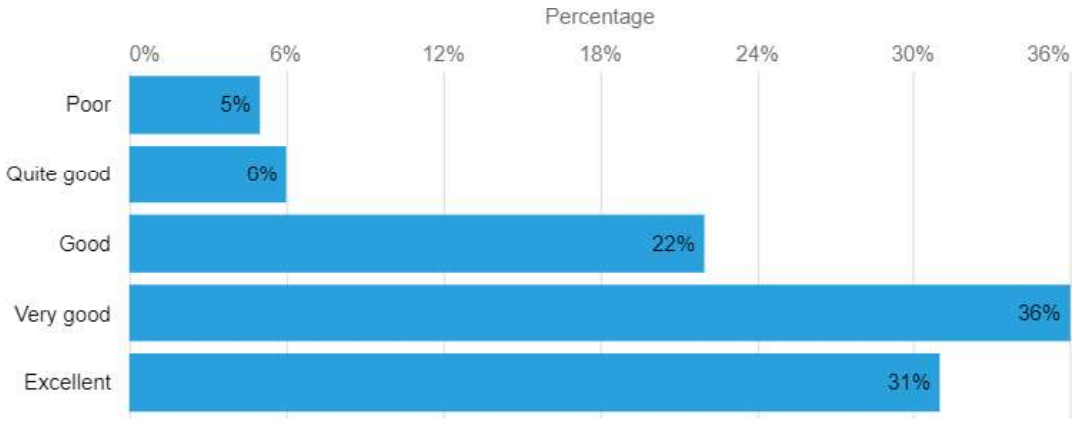
> *"I am ever so grateful of the very good, kind and effective support I received from you and LCN on this (and other) project."*

Our core offer of support to our member Law Centres continued throughout the year, including:

- **Peer support for Law Centre managers** - Weekly meetings where senior leaders can connect with colleagues across the network. Our managers tell us this is highly valued as a space to share challenges, seek advice, and celebrate together.
- **Consultancy** – Direct support, brokered and funded by LCN, to help resolve a variety of issues related to:
    - Project scoping and development
    - Funding strategy
    - Financial planning and reporting
    - Operational policy and procedure
    - Governance
    - Managing people
    - Compliance and quality
- **Strategic opportunities** – Convening and consulting with Law Centres to take advantage of regional and national opportunities, such as our work in Family Law (see below)
- **Coaching** – More than **75 1:1 sessions** between LCN Head of Service Development and senior Law Centre staff to help resolve a variety of operational issues, identify further support needs, and promote wellbeing.
- **Training** – 23 training sessions attended by **369 Law Centre staff**, volunteers and trustees across 34 Law Centres.



These sessions supported Law Centre staff to develop skills across a wide range of topics from paperless working to suicide first aid. Feedback indicates the high quality of training delivered:



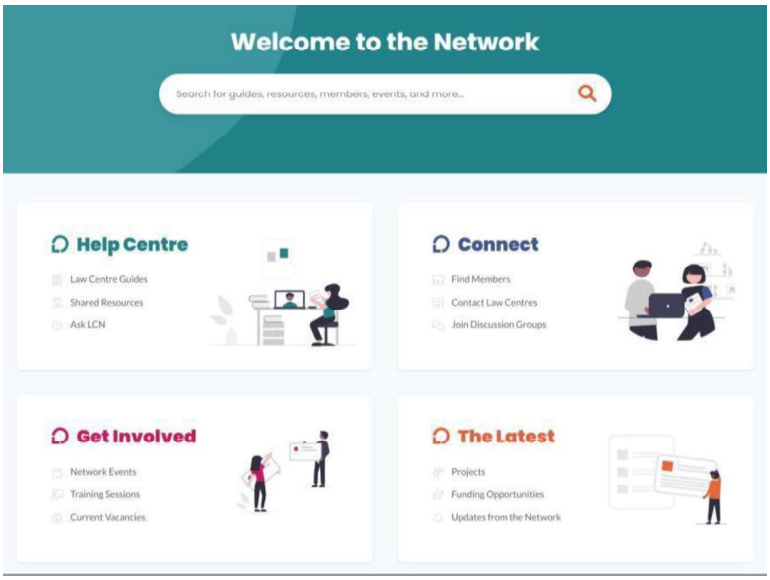
We also started work on a training calendar for Law Centres, informed by a network wide survey of training needs which captured the views of more than 100 Law Centre staff and volunteers.

"I spend a lot of time telling people why we're a member of the Network - I always feel really well supported"

Law Centre Members' Area – *The Box*

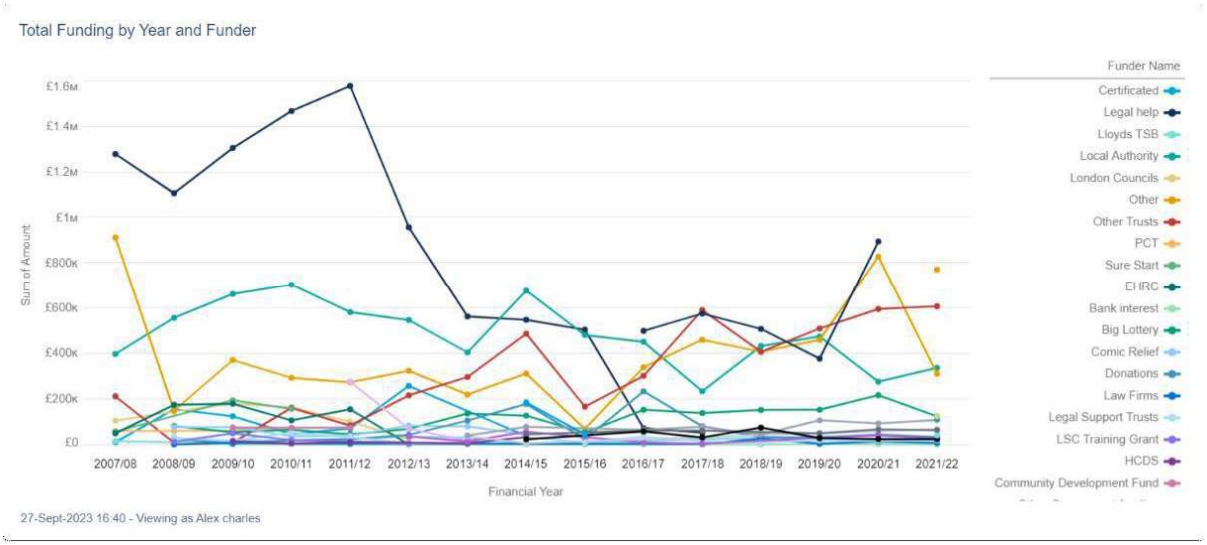
Our members' area gives Law Centre staff and volunteers easy access to a wide range of resources. More than half of Law Centre staff and volunteers have joined, giving them access to:

- **137 how-to guides** on a range of topics from governance to wellbeing
- **135 template policies and documents**
- **Bios and contact details** for LCN and Law Centre staff
- More than **20 discussion groups** where practitioners can find support from the peers
- Details of **events, training sessions and vacancies** from across the network
- Over **300 grant funding opportunities**, curated for Law Centres
- **Updates** from LCN and the wider social justice sector

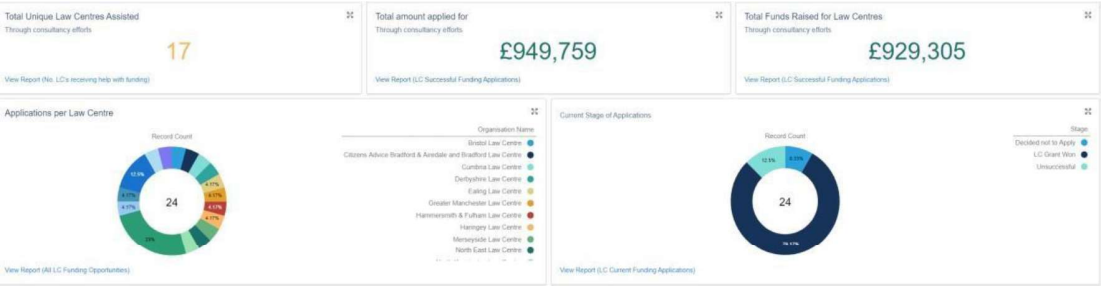


Fundraising for Law Centres

As for the entire charitable sector, securing funds continues to be a major challenge for Law Centres. The graph below illustrates the change in Law Centres funds from 2007 to 2022. It shows the considerable drop in legal aid funds and the growing reliance on the support of Trusts and Foundations.



Consequently, providing support to Law Centres to raise funds is a key area of work for LCN. In the past year, the single largest grant funding opportunity for Law Centres this year was the Help Accessing Legal Support programme, administered by the Access to Justice Foundation. We supported 15 Law Centres to apply, brokering 1:1 assistance from our panel of trusted consultants. All 15 applications were successful, bringing more than £700,000 into the network and helping Law Centres to improve access to early legal advice.



In total we supported 17 Law Centres to secure 24 grants totalling £929,305. As always, the support brokered by LCN was very well received:

"We got the grant we asked for. Thanks for prompting us– I had lost the will!"

"[The help] was great, I found it a real struggle but was able to do a far better second draft after help. We got what we asked for"

Data

Data is one of the three essential resources needed by Law Centres, the other two are funds and staff. LCN has a vital role in assisting Law Centres with the collection, protection and use of data. In addition, LCN has its own need for better data and speedier access to current data. Our data journey this year has seen progress on a number of interesting initiatives related to data.

- **Theory of Change development:**
  - Building on our work last year to improve how we capture and evidence the impact of our work and report progress against our Theory of Change.
  - Streamlining our CRM to better capture data on our members, our work and our impact.
  - Building up and documenting our data assets and data flows.
- **Data Strategy and Maturity**
  - Researching and planning the development of a new data strategy to help build data maturity for LCN and Law Centres over the next 3 years.
  - Exploring how data apprenticeships can help improve data skills and capabilities for LCN and Law Centres.
  - Collaborating with other VCS and advice sector organisations to share, learn and engage on data initiatives and improving collection and use of data across the advice sector.
- **Data Standards and Taxonomies:**
  - **Engaging in cross-sector initiatives** on developing Data Standards for enquiries and legal provision, resulting in the development of a draft data standard for Law Centre enquiries which we plan to test out in the coming months.
  - **Developing the data architecture** underpinning LCN's systems and tools we develop, and aligning these with Law Centres, and wider Access to Justice data standards, where possible.
- **Improving use of CMS and digital tools for collection and analysis of legal data:**
  - **Advice Pro workshops:** developed a series of themed workshops to help Law Centres make better use of Advice Pro e.g. paperless working and court bundling.
  - **Advice Pro developments:** working with Law Centres and Advice pro to improve how the system operates e.g. securing a new integration with sharepoint to improve how client files are managed.
  - **Advice Pro Champions:** facilitating a Community of Practice, bringing together Advice Pro users from across the network to share, learn and help each other in their use of Advice Pro.
  - **Enquiry Desk**: A tool under development to help Law Centres capture enquiry information, including turn-aways. Will lead to better data on types of enquiries and in evidencing demand and need.
- **Developing Resources:**
  - **Guides and Resources**: developing guides and templates for Law Centres to support data collection;
  - **Gathering evidence**: from Law Centres on barriers to data collection and developing data maturity;
  - **Funding**: engaging with conversations with funders and policy makers to advocate for more funding for data work.
- **GDPR and Security:**
  - **GDPR Audit:** implementing the recommendations from an independent review last year of our current policies and procedures to identify improvements for compliance and embedding privacy by design principles as our work grows and develops.
  - **Cyber Essentials Plus:** achieving Cyber Essentials Plus certification for LCN and six other Law Centres.

Next steps on the data journey

Data is and always will be a journey. Our focus for the coming year is to benchmark our current level of data maturity and finalise our data strategy to take us where we want to be over the next 3 years. We are actively seeking funding to continue our data work with Law Centres and will appoint a new Data Lead to help drive the work forward.

Digital Transformation

The **National IT Upgrade Project,** funded by Legal Education Foundation, has been running since 2015. It forms part of LCN's wider Digital Transformation initiative to enable Law Centres to embrace digital solutions where relevant, to improve ways of working and improve the experience of clients accessing Law Centre services. It focuses on Digital Infrastructure and facilitating improved ways of working through adoption of cloud technologies and collaborative tools like Office 365 (O365). This involves an audit of existing infrastructure, replacing or updating old or antiquated infrastructure and systems (laptops, equipment, telephone etc.), safe disposal of obsolete equipment (old computers and servers), upgraded networking equipment and capabilities, support to move emails and files into the cloud, as well as training and support to make the most of O365.

Phase 4 of the IT upgrade was successfully completed this year for 8 Law Centres and 1 organisation LCN is supporting on its journey to becoming a Law Centre (North Wales Steering Group). In total over Phase 1 - 4 of the IT upgrade project LCN successfully upgraded 28 Law Centres in 33 locations with over 1000 users.

- The work covered the upgrade of computers, installation of Office 365, establishment of secure cloud storage space, networking infrastructure improvement, migration of office data, emails, shared files to new systems, disposal of old hardware, training and ongoing IT support, support on cyber essentials certification and support to Law Centres already in the scheme to secure more affordable replacement equipment post the initial upgrade.
- Over 280 more staff, trustees and volunteers now leveraging opportunities for new ways of working, including hybrid working, Teams Telephony and O365 Apps such as Bookings, Power BI and Microsoft Forms. For several Law Centres this was an essential component to being able to engage with the Housing Possession Court Duty Scheme.
- The benefits of cloud-based working were crucial to centres' adaptation to remote working during Covid-19, and beyond as Law Centre staff have shifted to a hybrid model of working.
- Over 340 pieces of new IT equipment provided to Law Centres in Phase 4 (including laptops, desktops, docking stations and monitors);
- A further 100 pieces of equipment were secured at discounts ranging from 5-20% for Centres already in the scheme who reimbursed LCN for the cost of laptops, desktops etc (net zero cost to the upgrade project).
- Networking upgrades and managed switches installed at 10 Law Centres (including some centres for previous phases which were unable to upgrade at the time) leading to improved network monitoring and protection of Law Centre systems, also minimising any risks to business continuity from potential time down;
- 7 Law Centres have been supported to secure Cyber Essentials Plus certification (funded through IASME / NCSC). LCN has developed 'model' answers for the shared Tenant configurations which has made the process of certifying much easier for Law Centres.

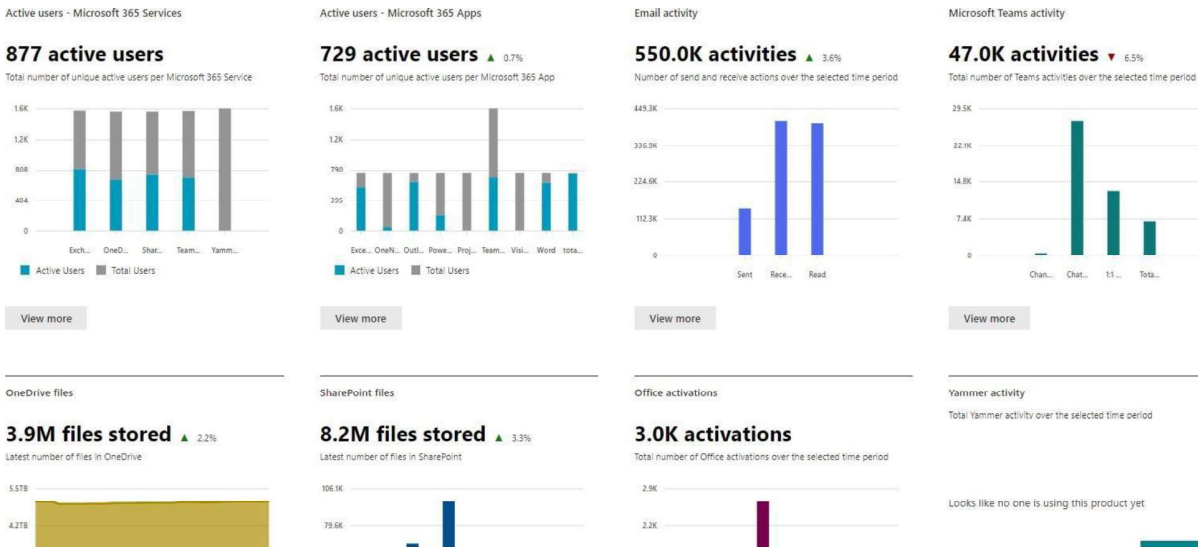
In addition:

- Better hardware deal negotiated with Dell (up to 20% discount off RRP) through LCN Membership Scheme, open to Law Centres both in and out of the National IT Project
- Improved IT Support offer negotiated for Law Centres;
- Independent audit of security configuration for hardware and O365 ensuring improved security across the O365 Tenant and compliance with best practice;
- Updated documentation to support compliance with GDPR;
- Improved staff satisfaction, trust and confidence in Law Centre IT system;
- Reduction in staff time dealing with IT problems leading to improved service to clients;

Law Centres have reported:

- less worried about risks and business continuity
- can explore new ways of working.
- reduced costs
- improved opportunities to collaborate within the Centre and across the network
- improved quality of life through flexible working
- can work more efficiently and effectively
- indirect knock on effect of improved experience for clients

There are still around 10 Law Centres that have not joined the LCN IT upgrade but could benefit from doing so. Most large funders have stopped investing in IT infrastructure and digital development projects. When funders change their focus it makes it difficult to continue large, strategic projects that require development over an extended period. LCN is looking for replacement funders for this work but capital funding is very limited. In the meantime, we will continue to offer Law Centres discounted equipment through the Dell Member scheme and continue to offer training and opportunities to share how others are embracing Office 365 to explore different ways of working with clients, within individual Law Centres and across the Law Centres Network. Law Centres in the tenant have been advised to budget for future upgrades as the lifespan of equipment is only between 3-5 years and can quickly become dated.



Snapshot of analytic data from Microsoft 365

The Back-Office – Salesforce Project

During the year, LCN completed the Pilot phase of its back-office project with three Law Centres. This was a test and learn approach to explore introducing Salesforce to manage back-office functions like grant, contact and volunteer management, as well as HR and other office management related tasks.

LCN took on the research, design, scope and configuration work in Salesforce, and brought in consultancy to act as a sounding board for best-practice and for developer support to package up what had been built to allow it to be deployed into individual Law Centres' instances of Salesforce.

The ethos of this pilot project was to roll out the package to three Centres, letting LCN understand whether it will help Law Centres, and whether it will make enough of a difference to justify rolling it out across the wider Network. It also allows LCN to understand how to support the process, both in implementation and after handover to the Law Centre.

Law Centres Federation
Report of the Executive Committee for the year ended 31 March 2023

Since the pilot launch at the start of 2023, Law Centre users have been getting to grips with the Salesforce platform and the packaged tools, and they've already been feeding back the benefits. Most users had no experience of Salesforce and were impressed by the ability to streamline previously admin-heavy tasks such as recording annual leave and HR information and creation of funding pipeline reports for trustees.

> *"I showed Salesforce's reports features to my colleague who is involved in writing reports each month on our funding pipeline – I built her a quick report, hit the refresh button and magically all the latest funding data appeared in the report - they were utterly blown away!".*

Users are reporting other benefits such as:

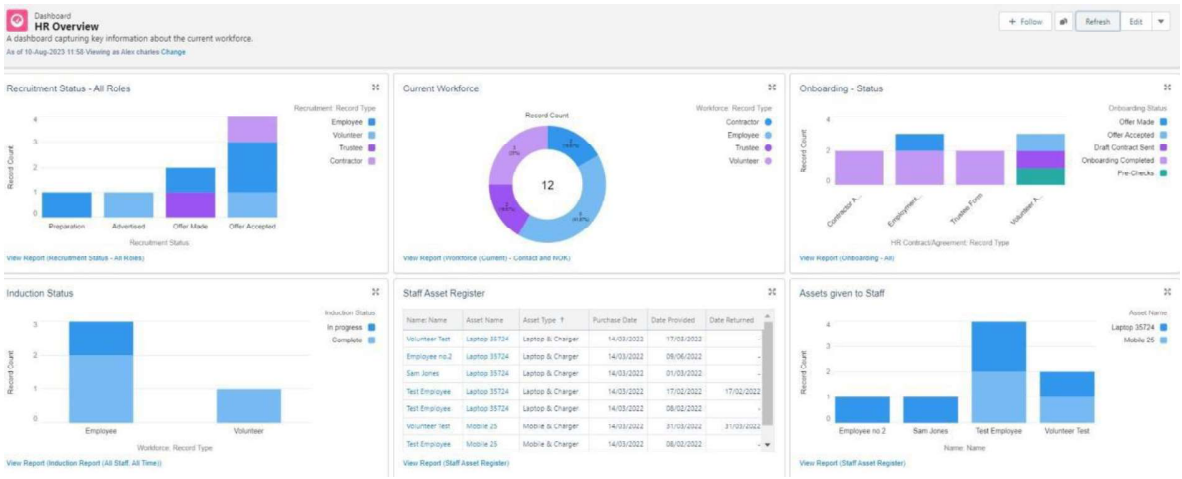
- Minimising risk and increasing efficiency
- Improved collaboration and reduction of duplication
- Centralised systems and more paperless working
- Improved intelligence on operations and office management
- Improved security and compliance with regulation
- Improved systems and processes for succession planning

> *"Salesforce has helped make accounts preparation much easier. Rather than having to look at separate emails and compare information, it's all in the one place and we can just cross-reference this. We met with our accountant and were able to pull off all the financial info in seconds which was really helpful".*

> *"The most helpful thing for HR has been managing the annual leave records. All records are up-to-date, in one place and so much easier than managing a million different spreadsheets! It makes things 10 x faster than before!!!"*

Users who had been struggling to move away from paper are being converted to this new way of working, as LCN have ensured that stakeholders have been brought along for the journey through user-led design. They've had the opportunity to define what they want to ensure that the system will meet their needs. The design hasn't been dictated to them, as key stakeholders have had input throughout. As LCN have let users shape the solution themselves, they feel ownership and excitement for how this can make their lives easier, and how this will improve frontline service delivery. Their continued feedback will allow LCN to further improve the package. Next stage is to roll out the tool to more Law Centres.

LCN is now working with the Justice Innovation Group to bring together a Salesforce advice sector user group to explore approaches for using Salesforce for back-office and front line support, and to share learning and opportunities for data collection and tech development with our advice sector colleagues.

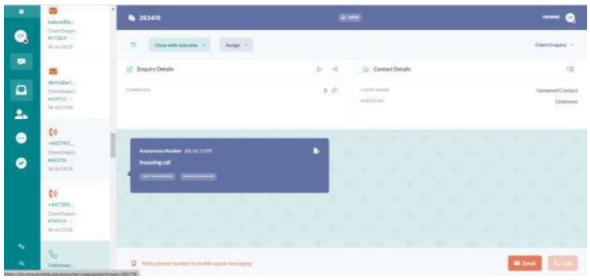


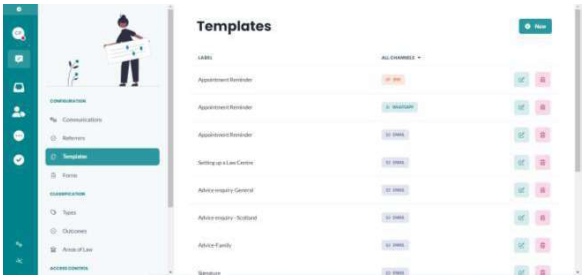
EnquiryDesk

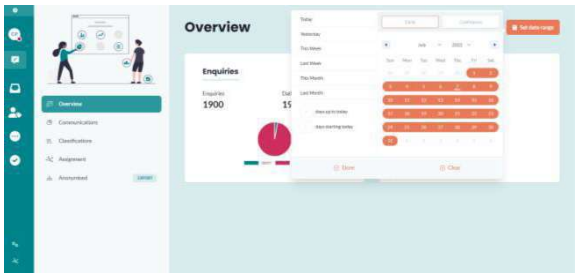
Two Law Centres continued to use this web browser-based digital tool as part of our pilot. EnquiryDesk assists Law Centres to better manage enquiries received through multiple channels: telephone, email, SMS or in person. Our digital funding from the National Lottery has come to an end but we will continue developing the tool as soon as we get more funding so we can roll EnquiryDesk out to other Law Centres that have already shown interest.

Key benefits include:

- Voice calls (incoming/outgoing/voicemails) and emails (incoming/outgoing) can be dealt with in one single tool that can be used by several staff simultaneously
- Person-centred tool that captures and keeps a history of contacts made so clients do not need to repeat themselves and staff know the status of the enquiry at any given time
- Increased efficiency and quality of client contact, no clients fall through the net and Law Centre response is more consistent (use of reply templates)
- Passive collection of enquiries high level statistics and easy monitoring of enquiry volume and type that allows better allocation of resources by management









Other Digital

LCN continued its work on digital development in 2022-2023. As funding ended the pace slowed but LCN is actively fundraising to ensure the progress made is not lost. The next steps are:

- Review and revise the Law Centres' Platform / Members Area / The Box
- Next phase of development for Enquiry Desk
- Roll out The Back-Office tool to more Law Centres
- Continue to work with Law Centres to identify new tools that would assist
- Continue to provide training and assistance around data and digital
- Maintain our IT support contract with Aspira Cloud and maintain our 365 Tenant
- Continue to fundraise for further hardware upgrades.

Strategic Goal 2 - Strengthen the network of Law Centres

Who contacts LCN – What we see

Each week LCN receives around 70 enquiries from people searching for legal assistance. The number of people contacting LCN continues to increase as a consequence of the reduction in lawyers providing legal aid (particularly in the area of immigration) and the reduced capacity of other agencies to assist. Although LCN cannot provide advice, and all our messaging is clear about this, people are so desperate in their search for help that they try us anyway. Below is a snapshot of what LCN sees:

Enquiries to LCN 01/04/2022 – 31/03/2023

TYPE OF ENQUIRY	
Advice enquiries	3599
Media enquiries	7
Setting up a Law Centre	9
Volunteering	68
BY AREA OF LAW	
Crime	3%
Employment	9%
Family	7%
Housing	10%
Immigration	40%
Welfare benefits	3%
Several areas of law	4%

Strategic national projects

A national Family Law service

"Thank you! an excellent model for service design/improvements in a collaborative way."

This year our members identified the lack of access to specialist legal advice on family matters as a real problem across our network. In response we brought together managers, solicitors, paralegals, trustees and triage workers from 19 Law Centres to explore the problem further.

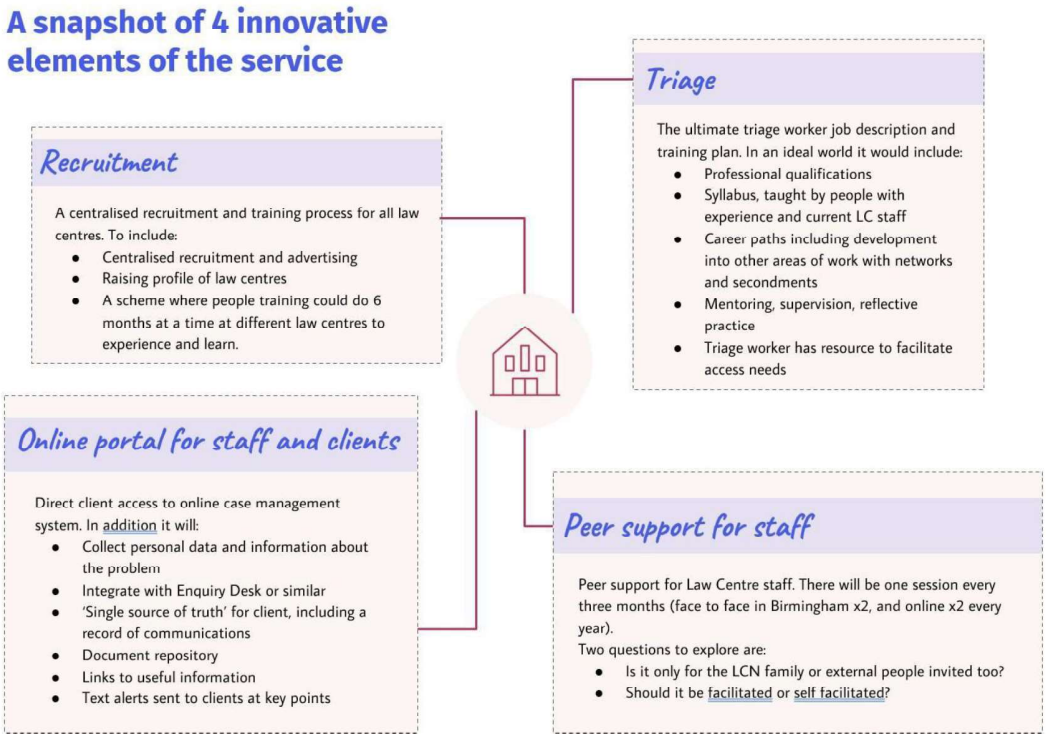






We moved through a series of in-person service design workshops and online discussions where we used creative techniques to help us explore the challenges and potential solutions. We still need to work out which

of the ideas below we can put into practice and test, but the approach we adopted was very effective at engaging people around the problem.



Attendees highlighted the benefits of coming together in person for more creative tasks, the benefits of just being together, their learning from the approach, and how their creative thinking increased during the process.

> *"Thank you for paying for our time to do this. The process was valuable and so many places take our feedback and time totally for granted. It's really appreciated!!"*

We're grateful for *Mischon De Reya* for supporting this work.

Overcoming language barriers for victims of crime *The Bell Foundation*

Purpose: The project seeks to address the problem of barriers in access to justice and services faced by victims of crime who have English as another language.

Progress: The primary thrust of this project's work over the past year has been the FOI requests work. It has needed more attention than initially envisaged because, as became clear early on, there was considerable resistance to it from the police forces approached: only 1 in 7 forces answered the questions in full. Most requests were initially refused, in whole or in part, and required specific responses, devised with our pro bono partners Allen & Overy, in order to get sufficient information for compiling a national picture of how forces approach ESOL as a vulnerability.

The emerging picture, while incomplete, is instructive and valuable in introducing new data into the professional discourse, that in itself is a baseline marker for prospective changes. Earlier this summer we have presented the initial findings to the Foundation and discussed ways forward. We are in the process of drawing up a report on the findings and their analysis which we will combine with case studies from the two participating Law Centres. The report will make recommendations on how police forces can improve their understanding of ESOL as a vulnerability in victims of crime, along with the support they provide to victims.

This report is also set to be a contribution to wider issues that were at the heart of our victims of crime project from the outset. Over the duration of this project, themes such as police accountability, structural problems in forces that drive discrimination (such as racism), and protecting the data held on victims and witnesses (given recent revealing breaches), have all grown in importance and urgency.

While this was not part of the original plan, we are glad that he report and some its components is also set to contribute to the Bell Foundation's parliamentary advocacy work. Specifically, it will be used to support efforts to get the right to understand and be understood – and the duty and funds to ensure it is upheld – enshrined in statute and not only in the Victims Code.

In other project work, this year we have also continued sharing intelligence with victims organisations such as Rape Crisis England and Wales around victims policy developments. In particular, we were keen see the government expand its thinking on supporting victims of domestic violence beyond IDVAs and toward legal advice as well, as the two perform different functions for distinct purposes. Unfortunately, this promising prospect has come to nought, with political changes leading the government to take a more restricted approach and fall out with its own Victims Commissioner, who resigned in protest.

We have also continued to encourage our members to better target services at victims of crime with ESOL. Reflecting on earlier periods in the project, we have devised a toolkit to provoke Law Centres to think through how VoC services might fit within their current service offering and what additional outcomes they might help them achieve. In December, at our racial justice-themed annual conference, we again examined, from several angles, the practical touchpoints that particularly affect racialised communities and potential partnerships to address them, such as with organisations like Black Europeans.



Network growth – new Law Centres

After nearly 20 years and despite the best efforts of its staff and trustees, supported by the LCN team, our Isle of Wight Law Centre sadly closed at the end of March 2023. We salute the commitment and perseverance of the team, trustees and volunteers, who had kept services going for so long and in such tough circumstances. The Law Centre's loss will be keenly felt among its peers in the Law Centres movement. However, it is the local community that will feel the Law Centre's loss most bitterly, and recent comments online reflect this. It has been a lifeline and a beacon of support for vulnerable local people in very difficult times and many will struggle without the support it has given in the past.

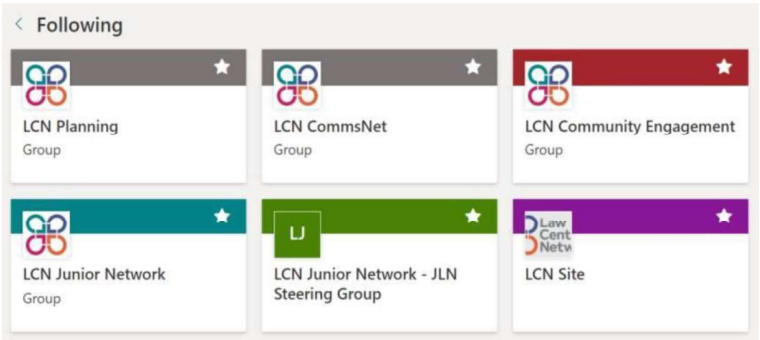
In more positive news, we welcomed North Yorkshire Citizens Advice & Law Centre as the newest member of our network in December 2022. The benefits to local people of a Citizens Advice also becoming a Law Centre are obvious. As a combined service, they enjoy both a breadth of issues that they can get help with and a depth of support with common legal problems. Along with its eight permanent offices from Skipton to Scarborough, NYCALC offers outreach services in a further 23 locations.

We also continued to work with a number of organisations who are moving towards applying for membership in 2023/24 including in North Wales, Leicestershire, Leeds, London, Oxfordshire and Norfolk.

Bringing the network together – Communities of practice / interest groups

> *"Thank you to all at LCN for all your ongoing support and guidance, you have brought all of us together and continued to push forward"*

We migrated our email groups to Microsoft 365 to make the most of its integration and functionality and have continued setting up additional groups for new areas of interest, practice or projects to facilitate communication between our Members. We currently have over 25 private groups (some with a dedicated Sharepoint site) where members can ask questions, share best practice, discuss challenges and opportunities and connect with other colleagues across the Network. Our most active group (Housing) includes over 100 Law Centres practitioners.



Workforce Development

Building on the scoping work of the previous year, funded by the Legal Education Foundation, we continued exploring the challenges Law Centres face in this area. We consulted with Law Centre and sector colleagues, as well as raising the issues with funders, the Legal Aid Agency, and others. As a result of our improved understanding of the challenges and possible solutions, we were able to secure multi-year funding to work with five London Law Centres over the next 3 years. This will allow us to recruit and develop a cohort of trainee solicitors to increase access to justice in London while testing new approaches to staff recruitment, training and retention. We are grateful to Propel for supporting this work.

Although the lessons learned through the above will be applied across the network, we are conscious that Law Centres outside London face different challenges. We remain committed to meeting this need and will be seeking additional funding for this work in 2023/24.

Wellbeing - Employee Assistance Programme

LCN continued to offer this programme to all Law Centres staff, trustees and volunteers (and their immediate family members) to help them deal with personal and professional problems. The service provides confidential advice and guidance (24/7 free phone number) on a variety of issues ranging from life and bereavement support, legal and medical information, online CBT. It also includes access to a wellbeing portal and app.

Breakdown of assistance requested:

Counselling 63.9%

- Anxiety 39%
- Low Mood 21%
- Depression 21%

Legal Advice: 34%

- Civil 46%
- Employment 23%
- Criminal 15%.

Tackling Systemic Racism - Strengthening Diversity

LCN's Diversity sub-committee continued to meet and discuss options for monitoring and strengthening diversity within Law Centres. However, it was acknowledged that LCN needs to do more and that LCN should work towards becoming an anti-racist organisation. Consequently, one strand of the Workforce development programme will focus particularly on improving opportunities for people from Black and Racialised communities in Law Centres. The Annual Conference focused on Racial Injustice, reported on below.

In April we presented our Racial Justice workplan to Law Centres for discussion and approval.

The plan has 5 strands:

1. Workforce development, creating new opportunities, run masterclasses
2. New and extended services in discrimination and other targeted service
3. Building new partnerships and strengthening existing ones
4. Advocacy, including Windrush Justice
5. Collect the data, build the evidence

The immediate priority is to get funds to fully implement the programme. Meanwhile we are focussing on the aspects where LCN and Law Centres are already working e.g. Windrush justice and with existing partners.

2022 Annual Law Centre Conference

In December, LCN hosted our Law Centres Annual Conference "Racial Justice and the role of Law Centres in dismantling systemic racism" over 3 days (2 online and 1 in person). We upgraded the

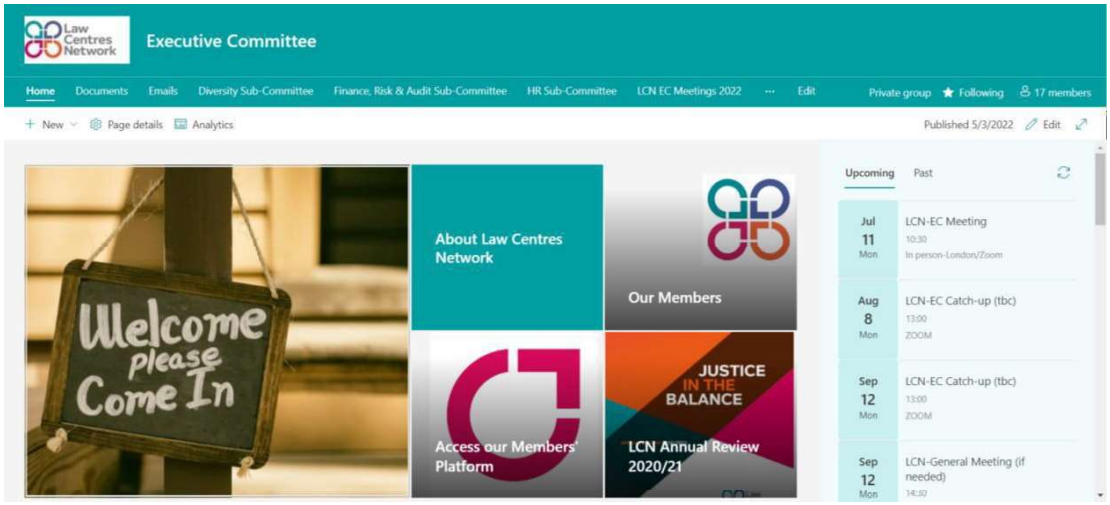
platform that LCN had designed and developed in-house a year prior so details for future events can be updated by LCN staff without having to rely on a develop. The design for this conference was specifically created by an external cooperative of Black designers.



The online conference included 5 Plenaries on income, housing and health inequality, dismantling systemic racism and campaigning, an interactive session on how to gather evidence and a conversation with Ben Crump and Jasmine Rand, American attorneys representing the families of people killed by police, class actions and challenging racist decisions.

455 colleagues attended the online sessions and 83 participated in the 4 workshops held in person, which focused on what Law Centres can do in practice to help dismantle systemic racism.

Governance



We have continued to successfully use our dedicated Executive Committee Sharepoint to share, in an easier and more secure way, all the relevant documents (meeting agendas/papers and minutes of previous meetings), resources (eg new induction pack) and links to forms (eg declaration of Directors' interests), becoming de facto paperless.

We have been holding hybrid meetings, prioritising attendance in person but also allowing remote attendance for those unable to travel.

Strategic Goal 3 - Amplify the collective voice of Law Centres

Policy and advocacy

Engagement is not just on policy but on how it is delivered: "You and the rest of LCN making my job much easier as usual!"

In this last year of the pandemic, public attention has turned to its aftermath, in which hardship became much more widespread, driven in part by a global energy crisis. Growing indebtedness has been leading people and households into more legal problems, increasing not just the need for assistance but its urgency and desperation.

Especially now, people in legal need deserve better support than the patchy, under-resourced public provisions currently available. Therefore, our advocacy work this year all related to bringing about more 'can- do' public-funded legal assistance, that would be responsive to changing needs, so "everybody is looked at as somebody that can be helped" (Ian Byrne MP, speaking of his local Law Centre).

The main part of the work focused on our justice system, including courts, legal aid and other legal assistance. Among our access to justice workstreams:

- Ensuring that renters can still sue landlords for neglecting their home: together with partners Legal Aid Practitioners Group, Housing Law Practitioners Association and campaigners Generation Rent, we pushed back against Fixed Recoverable Costs reform and got a two-year reprieve, which we hope to use to make the housing exemption permanent. If we did not get this reprieve, the policy change would have led renters to struggle to find legal assistance with challenging neglectful landlords. Disrepair is a big problem, affecting 1 in 7 of all rented homes.
- Getting legal aid to work better for preventing home loss: this year a change of policy was announced, reintroducing earlier legal advice for people who are at risk of losing their home. We had been advocating for some elements of the new policy for some time, and continued to engage with the Legal Aid Agency on the practical details of the Home Loss Prevention Advice Scheme. We then supported member Law Centres to bid for local delivery of the scheme, and they continue to make up 1 in 5 of all providers.
- Advocating for simpler and more inclusive legal aid means test: advocacy on this issue has gone on for three years and concluded with a formal consultation on the proposed changes, some of them we had advocated for, that are estimated to make 2 million more people eligible for civil legal aid.
- Working toward a systemic overhaul of civil legal aid: by summer 2021, Parliament's justice committee pronounced civil legal aid too far gone for minor tweaks and in need of an overhaul. By then we had been lobbying the government and its scrutineers for this change for some time. At long last, in late January the government has announced its Review of Civil Legal Aid, with which we have been engaging extensively since. Another review that we had had in our sights, by the National Audit Office, has also been launched in the spring and is already benefiting from our input.
- Court reform and diversion to other channels for resolving disputes: the government has long signalled that it is interested in ways of cutting down the court backlog by diverting most civil law disputes to ombuds schemes or mediation, which run the risk of also reducing the legal assistance that people in need are offered. This year we have sought to challenge its assumptions by advocacy through its project quantifying the cost of civil disputes.
- Introducing new and better ideas into currency: this year we have collaborated with Warwick Law School on a series of public events dedicated to 'reclaiming legal aid', that were also edited into podcast episodes. We have also been seeking to shape the justice agendas of the Opposition and have taken part in discussions with the shadow justice secretary and other members of the shadow cabinet.

The above was complemented by work on particular policy areas that arise from Law Centres' work, such as housing, immigration and human rights. Throughout this work, we have taken care to weave our

communications with the experiences of our Law Centres and their clients, that gives us our standing in these debates:

- Housing law and renters' rights: this year our involvement in the Renters Reform Coalition has become more intensified, following the publication of the 'new deal for renters' white paper, leading up to the Renters (Reform) Bill currently before parliament. We have also been supporting member Law Centres' policy and community engagement work, briefing and advising them and involving them in the joint campaign.
- Human rights: all year long we were preoccupied by the progress of the government's Bill of Rights Bill, that threatened to repeal and replace the Human Rights Act and devalue human rights in the UK. We were very pleased to ease off our joint campaign work on this when, following ministerial changes, the Bill was deprioritised and subsequently scrapped.
- Immigration: the government has repurposed some of the Bill of Rights Bill provisions in the Nationality and Borders Act and the subsequent Illegal Migration Bill (aka the small boats bill). Both bills promise migrants access to legal aid if they face removal, but we have been briefing parliamentarians about the many pitfalls of that false promise. We also continue to campaign for more family-friendly immigration policies and for lifting the ban on asylum seekers working as they wait for their cases to be decided.
- Victims of crime: having English as one's second language can be a big setback, especially at tougher turns in life. As part of our dedicated project, to understand and expose just how poorly ESOL as a vulnerability is treated by UK police forces, we have made Freedom of Information requests with every force and are analysing the results. The intention is to use this to press for greater accountability by the forces, and to support the inclusion of the right to understand and be understood in law, in the new Victims and Prisoners Bill.

In numbers

- 2 research reports that we contributed evidence to
- 3 open discussions co-organised on reclaiming access to justice
- 6 ministers and shadow ministers met
- 7 joint public statements with campaigning partners
- 13 oral or written policy submissions made

In other words

"Working with LCN has been so encouraging and it seems like you all led with boldness not reticence or fear. Hope to see more of this approach in the space, don't think we can afford to mince words and actions with the world being as it is."



LCN and Greater Manchester Law Centre at Renters Reform Coalition day of action in Westminster

Communications

This year, thanks to increased communications capacity, we have allowed ourselves to set more ambitious priorities. These priorities have aimed at making our output more engaging, more distinct and more consistent, that is, along recurring themes.

These include the highlighting of Law Centre client cases, especially those featuring the client's own voice or their caseworker's perspective. We have also sought to make our content more engaging by creating and using more visual assets. Additionally, we have looked to develop the community of practice of Law Centre staff with communications responsibilities.

- More people: humanity is at the heart of Law Centres' work and we are keen to highlight this, pay tribute to frontline Law Centre staff and volunteers, and in particular get more exposure for clients' own voices.
- More issues: the appointment of LCN's first full-time Communications Officer has allowed us to produce more campaign-oriented content, as well as to take part in more campaigning events. This has included a Renters' Day of Action from the Renters' Reform Coalition, and a roundtable on noting a decade since the civil legal aid cuts of 2013 by Legal Action Group.
- More of our members: we have been featuring much more content about Law Centres, their work, their positions and their successes.
- More visually engaging: we have been developing a suite of new assets for use in social media and in other contexts. This, together with the dedicated capacity, has allowed us to increase out social media output, even it out and increase its reach.
- More distinct: in the run-up to an imminent website relaunch in August 2023, we have been working with designers on a 'brand refresh' that should update our visual identity while adhering to the core of what people already know us for.
- More networked: we continue to support the community of practice of Law Centre staff members with communications responsibilities. This year has seen three network-wide meetings and an increase in media requests shared through the dedicated emailing list. These have been instrumental for Law Centre input to influence our communications work. We also launched the comms network's SharePoint portal, where the network can share communications resources, tools and updates. Overall, Law Centres are able to more easily and more regularly share relevant material, which we are then able to use as online content and as evidence in our advocacy work.
- LCN's new website will be launched in October 2023.



In numbers:

- 1 news media appearance a week on average, with LCN accounting for a quarter of them
- 4 in 5 media appearances were in national rather than local outlets
- 25% more Law Centre news features on our website this year, showing the value of legal advice and celebrating successes
- 8% increase in subscribers to our supporters newsletter.
- 37% increase in our social reach on Facebook and LinkedIn (old Twitter/X data unavailable



The Future - the next 10 years

The simple reality is that the speed of change is such that detailed planning for any longer than 6-12 months is often of very limited value as the staffing, funding, political and technological environment

changes at a pace which means that strategic and operational planning need to be agile and adaptable (to ensure that opportunities are taken and that risks are managed and mitigated).

For this reason, LCN has changed its approach to business planning. Instead of annual reviews, we have implemented a 6 monthly review process. At each review, detail for the coming six months will be updated and the plan will be extended so that it always looks at least three years into the future.

In December 2019 LCN set out a longer term (10 years) outlook for Law Centres and for LCN. This gives us a clear sense of direction and aspiration. In early 2023 we reviewed the 10 year outlook.

Our 10 year ambition is that we will work towards:

1. The national network of Law Centres will have grown to at least 50 Centres;
2. All Law Centres will be resilient and secure with access to the latest technology and able to meet community needs and expectations;
3. Law Centres will be recognised as rights-based organisations working with local communities to use the law as a tool for change;
4. LCN will remain at the heart of the network providing an increased range of support services to Law Centres and recognised nationally as the voice of Law Centres and a champion for access to justice and social change.

The next 3 years

The following recommendations were made by Social Finance following their review earlier in the year and consultation with Law Centres. LCN is currently developing a new 3 year strategic plan based on the updated Theory of Change that will incorporate the recommendations below:

1. **Funding:** Help to identify sources of funding outside of legal aid and coordinate funding applications.
2. **Workforce development:** LCN to assist Law Centres manage the staffing challenges informed by the needs of the centres. This could include support for recruitment, succession planning; developing relationships with universities/schools and benchmarking data on Law Centre pay scales.
3. **Collaboration:** LCN to continue to support more cross-centre collaboration in Law Centres. Ensure all LC staff are aware of LCN offering.
4. **Advocacy:** Make a louder policy push to gain uprated Legal Aid contract fees.
5. **Impact:** Support Law Centres to articulate succinctly the impact of Law Centres work in ways that appeal to funders, including storytelling linked to data and focus on the client perspective.
6. **Community:** Build on current work with Law Centres to be embedded (organisationally connected and visible to those in need) in the service of their communities.
7. **IT, Data and Digital:** Offering IT and digital training opportunities to meet the needs of those who are less skilled in this area. Continue to develop the digital programme. Work to develop data maturity across the network.

The Year Ahead - 2023/2024

Following the external review of LCN and the continued focus on our new Theory of Change, in 2023-2024 LCN aims to continue to work towards the following 3 objectives:

1. Help Law Centres to thrive – getting more help to people in need

2. Strengthen the network of Law Centres – solving bigger problems together

3. Amplify the collective voice of Law Centres – speaking out for change

Fundraising Practice

As for many charities, raising voluntary funds from trusts, foundations and individuals is a vital source of income for LCN, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

LCN believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. LCN is registered with the Fundraising Regulator.

LCN operates with a small internal fundraising team. In addition to this, we engaged external consultants to assist us with our 50th Anniversary fundraising campaign. LCN does not, nor will not, engage in face-to-face or telephone fundraising. LCN has received no complaints about its fundraising activities either during the financial year or subsequently.

GDPR

LCN continues to monitor our compliance with GDPR. LCN's Privacy Policy, published on our website, clearly states what personal data LCN will hold in relation to supporters and how this data will be used. It also sets out how individuals can raise concerns or complaints. In 2022 -2023, we reviewed our compliance with GDPR and continue plan to monitor our data protection procedure and privacy policy.

Financial review

The total net outgoing resources for LCN were (£156,667) (2022: outgoing resources (£169,509)).

LCN had a net deficit on unrestricted funds of (£199,289). Together with the accumulated surplus brought forward from previous years, the charitable company now has unrestricted funds of £112,845 (2022 £312,134).

Our main source of unrestricted funds continues to be from subscriptions from Law Centres and donations. In addition, a contribution this year of £9,470 (2022: £0) as gifts-in-kind was generously provided by several law firms.

Restricted funds carried forward at 31 March 2023 amounted to £167,970 (2022: £125,345) This is sufficient for the activities for which the funds were provided.

Reserves policy

The Executive Committee has considered the following factors when considering a reserves policy:

- the organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- the organisation's obligation to maintain a safe and clean working environment;
- that certain equipment is essential for our work;

- that an increasing proportion of the organisation's income is now derived from fixed term project grants.

The Executive Committee agreed that LCN should aim to maintain unrestricted funds equal to six month's core service running costs. This amounts to £228,930. The current level of unrestricted reserves is £112,845, at Balance Sheet date. This is sufficient for LCN to run for 3 months.

The level of unrestricted reserves and available cash is sufficient for LCN to meet its obligations should it cease trading. The Executive Committee has budgeted to break even in the coming year. With the award of new multi-year grants, the EC anticipates that they will achieve a small surplus in 2024 - 2025 and will be able to rebuild reserves to the level they believe is prudent given the current circumstances in the UK.

Going Concern

At its meeting on 10 July 2023, the Executive Committee considered whether LCN will be a going concern for the coming twelve months. The EC was provided with draft end of year accounts, Quarter 1 2023/2024 Management Accounts including the Balance Sheet, revised budget (2023-2024) with cash flow projections to June 2024 and LCN Fundraising Strategy. They also considered Charity Commission Guidance as well as Guidance from the Auditors.

The EC discussed whether LCN has sufficient reserves to cover its liabilities should it have to close; they assessed whether the documents indicated that LCN is on sound financial footing for the immediate future. They considered the Reserves policy, how LCN manages its finances, its staffing requirements, its charitable objects, its strategic plan, its obligations to funders, the safeguards it has in place to protect against fraud, its leases and premises, and our current banking arrangements. Importantly the Committee considered the current funding climate. They asked whether LCN is robust enough to address unexpected situations. Finally, they discussed the likelihood of the number of Law Centres increasing or decreasing in coming years and what impact that would have. It was also asked whether LCN had considered merging with other charities. It was agreed that the Finance Sub-Committee should monitor cashflow and funding opportunities on a regular basis alongside the finance reports. It was agreed to review going concern at the EC meeting in October when results of 3 funding applications should be known.

The Executive Committee agreed that LCN is a going concern until the end of 2024. They also noted that if two of its funding applications are successful, then its financial position is likely to be stronger in 2024-2025.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Law Centres Federation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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 information of which the charitable company's independent examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the charitable company's independent examiner 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.

Events since the end of the year

In the opinion of the Executive Committee no event since the balance sheet date significantly affects the company's financial position. However, the Executive Committee is continually monitoring LCN's current and future finances.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the Charity and its members, together with the review of Going Concern discussed above, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Approved by the Executive Committee on 16 October 2023 and signed on its behalf by:



.....

Helen Rogers

Chair of Trustees

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LAW CENTRES FEDERATION

I report to the charity trustees on my examination of the accounts of the charitable company for the year ended year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Signed: Moore Kingston Smith LLP.

Name: James Saunders, FCCA DChA
The Association of Chartered Certified Accountants:
Address: 9 Appold Street, London, EC2A 2AP

Date: 22 November 2023

Law Centres Federation

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

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	**2023 Total £**	2022 Total £
Income and Endowments					
Donations	**2a**	36,226	133,018	**169,244**	159,847
Charitable activities	**2b**	483,260	245,426	**728,686**	893,971
Investments		-	169	**169**	37
Other	**2c**	-	14,492	**14,492**	3,753
Total		**519,486**	**393,105**	**912,591**	1,057,608
Expenditure on:					
Raising funds		-	43,475	**43,475**	33,064
Charitable activities	**3**	476,864	548,919	**1,025,783**	1,194,053
Total		**476,864**	**592,394**	**1,069,258**	1,227,117
Net income/(expenditure)		42,622	(199,289)	(156,667)	(169,509)
Net movement in funds	**10**	**42,622**	**(199,289)**	**(156,667)**	(169,509)
Reconciliation of funds:					
Total funds brought forward	**10**	125,348	312,134	**437,482**	606,991
Total funds carried forward		**167,970**	**112,845**	**280,815**	**437,482**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The accompanying notes form part of these financial statements.

Law Centres Federation
Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed Assets				
Tangible Fixed Assets	9	1,047		2,254
			1,047	2,254
Current assets				
Debtors	7	144,063		163,970
Cash at bank and in hand		295,756		410,923
Total Current Assets		439,819		574,893
Creditors: amounts falling due within one year	8	(160,051)		(139,665)
Net current assets			279,768	435,228
Net Assets			280,815	437,482
Funds				
Restricted funds				
In surplus	10		167,970	125,348
Unrestricted funds:				
General fund	10		112,845	312,134
of which designated			*20,593*	*62,253*
Total funds			280,815	437,482

These financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.
For the year ending 31st March 2023 the company was entiltled to exemption from Audit under section 477 of the companies Act 2006relating to small companies.
The members have not required the conmpany to obtain an audit of accounts for the year in question accordance with section 476.
The directors acknowledge their responsibilities for complying with the requirements of the of the Act with respect to accounting records and the preparation of accounts .

Approved and authorised for distribution by the Executive Committee on 16th October 2023 and signed on its behalf by

Helen Rogers
Chair

Patrick Marples
Treasurer

The accompanying notes form part of these financial statements.

Company no. 2433492

Law Centres Federation

Cash Flow Statement

For the year ended 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities:			
Net cash used in operating activities	**15**	**(115,336)**	(154,362)
Cash flows from investing activities:			
Interest income		**169**	37
Purchase of property, plant and equipment		-	(767)
Net cash provided by/(used in) investing activities		**169**	(730)
Change in cash and cash equivalents in the reporting period		**(115,167)**	(155,092)
Cash and cash equivalents at the beginning of the reporting period		**410,923**	566,015
Cash and cash equivalents at the end of the reporting period		**295,756**	410,923

Analysis of cash and cash equivalents

	2023	2022
	£	**£**
Cash in hand	**295,756**	410,923
Total cash and cash equivalents	**295,756**	410,923

Analysis of changes in net debt	**1 April 2022**	**Cash flows**	**31 March 2023**
	£	**£**	**£**
Cash	410,923	**(115,167)**	**295,756**
Total	410,923	**(115,167)**	**295,756**

1.1) Accounting policies

Basis of Preparation

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published on 16 July 2014. The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when there is entitlement, it is measurable and receipt is probable. Intangible income is recognised as a gift in kind where the provider of the service has incurred a financial cost and is valued at the value to the charity. Income is deferred when it relates to a specific later period, or there are conditions yet to be fulfilled for entitlement.

c) Subscription income from Law Centre members is recognised in the year in which it relates.

d) Gifts in Kind reflect the costs of rooms, catering and staff support from Law Firms and other suppliers to promote seminars, training and advice sessions conducted by Law Centres Federation as well as pro bono legal advice provided to LCF. Gifts in Kind are either valued by the suppliers undertaking the work or, where this is not immediately obtainable, by taking a reasonable estimate of the length of time involved in doing the work multiplied by the Standard London pro-bono rate.

e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

f) Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

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 is an estimate, based on staff time, of the amount attributable to each activity.

Direct service provision	0.92
Cost of generating voluntary income	0.08

Governance costs, which are included within support costs, include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

g) The costs of generating voluntary income relate to the costs incurred by the charity in raising funds for the charitable work.

h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value on a straight line basis over its expected useful life. The useful lives are as follows:

Computer equipment	4 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. During the period of their depreciation, assets are reviewed for impairment if circumstances indicated their carrying value may exceed their net realisable value and value in use.

i) 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.

j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

l) The charity operates a defined contribution auto-enrolment pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pensions costs represent contributions payable under the scheme for the payment of those contributions calculated at 8% of gross pay (7% employer contribution; 1% employee contribution).

1.2) Going concern basis

The Executive Committee at each of its meetings throughout 2022-2023 considered its financial position and whether LCN continued to be a going concern. At its meeting on 10th July 2023 it also considered the guidance provided by the Charity Commission in relation to 'going concern'. The EC also considered LCN's ability to sustain and grow its membership and its cash position. The Executive Committee's Finance Sub-Committee monitored risk, LCN's future funding 'pipeline' and the financial position of Law Centres as part of its judgement about 'going concern'. LCN secured 3 new multi-year grants in quarter of 2022-2023 and continues to submit other funding applications. The EC noted that there is sufficient cash for the year ahead. There is concern that LCN's free reserves have dropped below the Charity Commission's recommendation of holding equivalent of 3 months of running costs. The EC are taking the necessary steps to mitigate this risk and aim to rebuild reserves in 2024/25. EC agreed that LCN is a going concern. The charitable company therefore continues to adopt the going concern in preparing its financial statements.

1.3) Accounting estimates and judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.4) Staff Policies

The costs of short-term employee benefits are recognised as a liability and an expense.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

1.5) Financial Instruments

Basic Financial Instruments

The charity only holds basic financial instruments as defined by FRS 102.

a) **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b) **Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at the recoverable amount. Debtors and creditors that are receivable of payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2a. Donations

	Restricted £	Unrestricted £	**2023 Total £**	2022 Total £
Subscriptions - Law Centre members	-	89,600	**89,600**	83,800
Donations	36,226	43,418	**79,644**	76,047
	36,226	133,018	**169,244**	159,847

In the preceding year, all income from doantions was attributable to unrestricted funds.

2b. Charitable Activities

	Restricted £	Unrestricted £	**2023 Total £**	2022 Total £
AB Charitable Trust	-	50,000	**50,000**	70,000
Allen & Overy Foundation	-	-	-	25,000
Access to Justice	-	10,000	**10,000**	-
Baring Foundations	184,729	-	**184,729**	-
Bell Foundation	8,020	-	**8,020**	6,666
Comic Relief	6,986	-	**6,986**	62,876
Esmee Fairbairn Foundation	-	78,000	**78,000**	-
IT - Digital Transformation (TNLCF)	91,250	-	**91,250**	170,000
IT National Project (TLEF)	85,600	-	**85,600**	279,401
John Ellerman Foundation	-	49,000	**49,000**	-
London Legal Support Trust	33,350	-	**33,350**	-
Money For LC _TLEF	20,000	-	**20,000**	-
Paul Hamylyn Foundation	-	-	-	40,000
Philip King Charitable Trust	-	-	-	25,000
Sustainability (TLEF)	16,667	-	**16,667**	66,666
TLEF	7,500	-	**7,500**	-
Trust for London Post Brexit	24,500	-	**24,500**	52,500
Training Fee /Services to LCs	-	39,738	**39,738**	37,050
Gifts in Kind	4,658	4,812	**9,470**	-
Annual conference	-	13,876	**13,876**	8,812
Total	**483,260**	**245,426**	**728,686**	893,971

In the preceding year, £180,863 of total income from charitable activies were related to unrestricted funds and £713,108 attributable to restricted funds.

2c Other income

	Restricted £	Unrestricted £	**2023 £**	2022 £
Sundry income	-	14,492	**14,492**	3,753
Total	-	14,492	**14,492**	3,753

In the preceding year, £3,753 were attributable to unrestricted income

3. Total expenditure

		Raising Funds	Charitable Activities	Support Costs	2023	2022
		£	£	£	£	£
Staff costs	5	36,907	368,619	75,964	**481,490**	512,238
Staff Travel, Training, Recruitment & Meetings		-	10,403	2,742	**13,145**	11,323
Governance costs	3b	-	11,362	-	**11,362**	14,987
Premises costs		-	25,967	-	**25,967**	23,284
Office: Office costs, ICT, Insurance & Comms		-	3,410	5,325	**8,735**	13,344
Legal and Professional Fees		-	7,833	1,662	**9,495**	6,780
Services to Law Centres		-	77,776	-	**77,776**	75,071
Grants & Payments to Law Centres	3a	-	128,482	-	**128,482**	242,509
Annual Conference & Events		-	23,947	-	**23,947**	10,802
Subscriptions & Journals		-	10,186	-	**10,186**	-
Training and Course Costs		-	12,422	-	**12,422**	9,651
Website / Digital Development		-	24,936	-	**24,936**	149
Bad debts expense		-	-	-	**-**	8,700
Project specific cost		-	231,845	-	**231,845**	298,279
Gifts in Kind		-	9,470	-	**9,470**	-
Total expenditure		**36,907**	**946,658**	**85,693**	**1,069,258**	**1,227,117**
Support Costs		6,569	79,125	(85,693)	**-**	-
Total expenditure		**43,475**	**1,025,783**	**-**	**1,069,258**	**1,227,117**

In the preceding year, £338,667 of expenditure was attributable to unrestricted funds and £888,450 attributable to restricted funds.

3 Total expenditure (comparision 2022)

		Raising Funds	Charitable Activities	Support Costs	2022	2021
		£	£	£	£	£
Staff costs		32,349	434,537	45,352	**512,238**	485,075
Staff Travel, Training, Recruitment & Meetings		715	3,461	7,147	**11,323**	7,504
Governance costs	3b	-	14,987	-	**14,987**	14,084
Premises costs		-	23,284	-	**23,284**	12,302
Office: Office costs, ICT, Insurance & Comms		-	4,867	8,477	**13,344**	21,332
Legal and Professional Fees		-	-	6,780	**6,780**	4,182
Services to Law Centres		-	75,071	-	**75,071**	80,289
Grants & Payments to Law Centres	3a	-	242,509	-	**242,509**	454,703
Ministry of Justice Grant & Payments		-	-	-	**-**	3,000,037
Annual Conference & Events		-	10,802	-	**10,802**	29,962
Publication design & print		-	-	-	**-**	8,771
Subscriptions & Journals		-	9,651	-	**9,651**	3,503
Training and Course Costs		-	149	-	**149**	3,389
Website / Digital Development		-	8,700	-	**8,700**	12,057
Bad debts expense (Note 3c)		-	-	-	**-**	720
Gifts in kind		-	-	-	**-**	5,062
Other (Travel & Project Specific costs)		-	296,629	1,650	**298,279**	282,018
Total expenditure		**33,064**	**1,124,647**	**69,406**	**1,227,117**	**4,424,990**
Support Costs		4,383	65,023	**(69,406)**	**-**	**-**
Total expenditure		37,447	1,189,670	**-**	**1,227,117**	**4,424,990**

3a Analysis of Grant Payments to Law Centres

	2023	2022
	£	**£**
Baring Foundations	**30,482**	-
Crisis Hub	**-**	39,000
Comic Relief - Digital Innovation	**-**	37,550
Justice Fund - Money for LC	**60,000**	102,089
LLST	**28,000**	-
TNLF Covid	**-**	12,900
TFL - Post Brexit	**10,000**	20,000
Three Guineas	**-**	30,970
	128,482	**242,509**

3b Analysis of governance costs	**2023**	2022
	£	£
Annual Report	**1,815**	1,638
Audit fees - prior year (under-accrual)	**2,428**	-
Audit fees - current year	**-**	12,957
Independent examiner fees	**6,000**	-
EC travel (reimbursed)	**1,119**	58
Governance meetings	**-**	334
Total governance costs	**11,362**	**14,987**

4. Net (expenditure) / income for the year

This is stated after charging:	**2023**	2022
	£	£
Executive Committee's reimbursed expenses	**1,119**	58
Auditors' remuneration (excluding VAT):		
▪ Audit	**2,428**	10,975
▪ Independent Examination	**6,000**	-
Operating lease rentals:		
▪ property	**8,064**	7,680

Executive Committee expenses of £1,119 were incurred in 2022 - 2023 (£58 in 2021/22). None of the 16 members (17 members to Dec 2022; 16 members from Dec 22) of the committee serving during 2022-23 were remunerated.

5. Staff costs and numbers

Staff costs were as follows:	**2023** **£**	2022 £
Salaries and wages	**416,967**	439,399
Social security costs	**36,248**	41,595
Pension contributions	**28,275**	31,244
	481,490	512,238

5a. Staff costs by activities

	2023 **£**	2022 £
Raising Funds	**36,907**	32,349
Charitable Activities	**368,619**	434,537
Support Cost	**75,964**	45,352
	481,490	512,238

One employee earned more than £60,000 during the year. Total pension
(In 2021, one employee earned more than £60,000 during the year and received £4,328 in pension contributions).

5b. Staff numbers by activities

The average monthly number of employees (full-time equivalent) during the year is as follows:

	Head Count		**Full Time Equivalent**	
	2023 **No.**	2022 No.	**2023** **No.**	2022 No.
Cost of generating income	**4**	4	**0.6**	0.6
Support costs	**5**	5	**1.6**	1.1
Direct Service provision	**13**	17	**7.0**	9
Average Employee Numbers	**12**	13	**9.2**	10.5

Staff have been allocated to areas of work where they spend most time.

Key Management Personel

The Key Management of the Charity is considered to be the Director (FT), Finance Officer (0.5 FTE) (& Trustees). The total employee benefits of the key management personnel were £ 97,179 (2022: £93,336), which includes total employer NIC Contributions of £3,359 (net of 5k employment Allowance) and total employer pension contributions of £4,592

Trustees are not renumerated but are reimbursed for travel and subsistence expenses incurred through attendance of governance meetings.

6. Taxation

All income is charitable and applied for charitable purposes only and thus is exempt from Corporation Tax.

7. Debtors

	2023	2022
	£	£
Grants receivable	**18,582**	100,000
Prepayments	**48,492**	28,477
Conference fees	**8,487**	2,500
IT Licensing	-	4,680
Membership & Lexis Nexis	**35,092**	24,673
Other debtors (Including PII Due from LC)	**33,410**	3,640
	144,063	163,970

8. Creditors: amounts due within 1 year

	2023	2022
	£	£
Trade creditors	**16,691**	87,546
Taxation and social security	**9,376**	1,748
Accruals	**30,516**	17,687
Pension contributions	**3,175**	3,175
Deferred Income	**70,380**	-
Amount held on behalf of Law Centres	**27,673**	27,673
Other creditors	**2,240**	1,836
	160,051	139,665

9. Fixed assets

	Computer equipment	**Total**
	£	**£**
Cost		
As at 01 April 2022	15,837	**15,837**
Additions	-	**-**
As at 31 March 2023	15,837	**15,837**
Depreciation		
As at 01 April 2022	13,583	**13,583**
Charge for the year	1,207	**1,207**
As at 31 March 2023	14,790	**14,790**
Net book value		
As at 31 March 2022	2,254	**2,254**
As at 31 March 2023	1,047	**1,047**

10. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfer £	Net Movement of Funds	**At the end of the year £**
Restricted funds:						
AB Charitable Trust (Nth Wales Law Centre)	20,000		20,000	-	(20,000)	**-**
Baring Foundation	-	184,729	45,576	-	139,153	**139,153**
Bell Foundation	1,107	8,020	9,127	-	(1,107)	**-**
Comic Relief	-	6,986	6,986	-	-	**-**
IT - Digital Transformation (TNLCF)	84,001	91,250	162,334	-	(71,084)	**12,917**
IT - Digital Upgrade(TLEF)	10,413	85,600	96,013	-	(10,413)	
London Legal Support Team	-	33,350	33,350	-	-	**-**
Mischon Donation	-	23,973	23,973	-	-	**-**
Philip King Charitable Trust	8,697	12,253	5,050	-	7,203	**15,900**
Sustainability (TLEF)	595	16,667	17,262	-	(595)	
TLEF (Money for NWLCSG)	-	20,000	20,000	-	-	**-**
TLEF (Work force Development)	-	7,500	7,500	-	-	**-**
Trust for London Post Brexit	535	24,500	25,035	-	(535)	**-**
Gifts in Kind		4,658	4,658	-	-	**-**
Total Restricted Funds	**125,348**	**519,486**	**476,864**	**-**	**42,622**	**167,970**
Unrestricted funds **	312,134	393,105	592,394	-	(199,289)	112,845
***Includes Gifts in Kind income of £4,812*						
Total Funds	**437,482**	**912,591**	**1,069,258**	**-**	**(156,667)**	**280,815**
General fund ***						
General Funds	249,880	309,347	466,976	-	(199,289)	92,250
of which designated 10a	*62,253*	*34,757*	*76,417*	-	*(41,661)*	*20,593*
Restricted Funds	125,348	*519,486*	*476,864*		*42,622*	*167,970*
Total funds	**437,482**	**912,591**	**1,069,258**	**-**	**(156,667)**	**280,815**

*** Resources include Bank Interest

10a Designated Unrestricted Funds

The 2022/2023 incoming designated funds were donations raised through the Big Give and from other donors which were passed on to Law Centres during the year. Funds were again raised through the Big Give and other donors during 2022/2023 of which £20,593 remain for the coming year.

10d Comparative information: Movements in funds for year ended 31 March 2022

		At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:						
Development and support of Law Centres						
AB Charitable Trust (LCN)		1,396	-	1,396	-	-
AB Charitable Trust (Nth Wales Law Centre)		-	20,000	-	-	20,000
Bell Foundation		3,317	6,666	8,876	-	1,107
Comic Relief		-	62,877	62,877		-
Covid Support (TNLCF)	10b	99,757	-	84,757	(15,000)	-
Covid Support (TLEF)	10b	3,359	-	3,359	-	-
Esmee Fairbairn Foundation		29,739	-	29,739	-	-
IT - Digital Transformation (TNLCF)		62,697	169,999	148,695	-	84,001
IT - Digital Upgrade(TLEF)		-	279,400	268,987	-	10,413
Philip King Charitable Trust			25,000	16,303		8,697
CRISIS / Public Law Project	10c	9,000	30,000	54,000	15,000	-
Legal Suppor and Social Care (TLEF)		5,100	-	5,100	-	-
Sustainability (TLEF)		46,519	66,666	112,591	-	594
Three Guineas Trust		31,516	-	31,516	-	-
Trust for London Developing New Models		1,858	-	1,858	-	-
Trust for London Post Brexit		6,432	52,500	58,396	-	536
Total Restricted Funds		300,690	713,108	888,450	-	125,348
Unrestricted funds		306,301	344,500	338,667	-	312,134
		606,991	**1,057,608**	**1,227,117**	**-**	**437,482**
General fund ***						
General Funds		161,301	269,807	181,227	-	249,881
of which designated	*10a*	*145,000*	*74,693*	*157,440*	-	*62,253*
Restricted funds		300,690	713,108	888,450		125,348
Total funds		**606,991**	**1,057,608**	**1,227,117**	**-**	**437,482**

10. Movements in funds (continued)

Purposes of restricted funds

AB Charitable Trust: 5 year Core fund grant to LCN to increase capacity and extend the impact of LCN's work based on recommendations from the Strategic Review of LCN conducted in 2018.

Baring Foundation: to undertake in-depth work with three Law Centres (Suffolk, Vauxhall (Liverpool) and Derbyshire) to develop and scale hub activities in their locales to achieve longer-term social change for their communities and beyond.

Bell Foundation: Project lead by Harrow Law Centre to support victims of Crime, particularly those who speak languages other than English. LCN's role is to extend the learning from Harrow's project to other Law Centres with view to establish model in other parts of the UK.

Comic Relief: A collaborative project, which co-designed the 'front-end' of LCN's Enquiry Desk, working closely with GMLC, their partners and people affected by homelessness and housing insecurity, to better manage enquiries, ensuring distributed teams can keep track of an individual's enquiry across different channels and get people the assistance they need more quickly.

Esmee Fairbairn Foundation: New 2 years funding for core costs to maintain capacity and delivery on LCN's policy objectives.

John Ellerman Foundation: A new 3 years core fund granted to support LCN focus on further developing its strategy and theory of change, and to make community engagement more central to our work.

Legal Education Foundation: National IT infrastructure project that will upgrade Law Centres ICT, titled Law Centres 2020 Digital Vision. The project is being implemented over 5 phases and will upgrade computers, migrate all software and data to cloud-based services. In 2022, Phase 4 of the project was completed.

Legal Education Foundation: Sustainability - 3 year grant awarded to LCN to assist it to implement recommendations made following its strategic review aimed at helping LCN become more sustainable. 2022 was the final year of the grant.

Legal Education Foundation: Workforce Development - 1 year grant to scope a scheme to assist Law Centres outside London recruit and retain staff.

Paul Hamlyn Foundation: A five year core grant provided to work on influencing government departments and other public bodies on the future of a fair and effective justice system, particularly in response to the impact of changes arising from the Covid pandemic.

London Leagal Support Trust - Cost of Living Project: Funds grant to support London Law Centres work to increase advice capacity to help people affected by the rising cost of living; improve community outreach; increase provision of specialist legal advice in the boroughs of Brent and Haringey.

Philip King Charitable Trust: This grant was provided to support the development of the Ride for Justice fundraising event aimed at securing donations for Law Centres.

CRISIS / Public Law Project - In partnership with CRISIS, an exploratory project to test the provision of legal assistance, particularly in areas of welfare rights and immigration, to better address situation of people facing homelessness. 3 Law Centres were partners in this project. LCN also focused on learning about the impact of Covid on the legal needs of people who were homeless and particularly without access to digital assistance. This project has been completed.

The National Lottery Community Fund: Realising Law Centres 2020 Digital Vision - grant awarded to LCN to work together with Law Centres to explore and implement digital technology to assist them to achieve their mission. This grant will end in 2023.

Trust for London: Post Brexit - analyse data collected over 5 years of LCN work with EU nationals and produce report and other learning from this to shape legal assistance for vulnerable EU nationals living in the UK. Grant includes funds to work with 2 partner Law Centres.

11. Net Assets by Fund

	Unrestricted £	Restricted £	2023 Total £
Fixed Assets	1,047	-	**1,047**
Net current assets	111,798	167,970	**279,768**
	112,845	167,970	**280,815**

11a. Net Assets by Fund (2022 Comparison)

	Unrestricted £	Restricted £	2022 Total £
Fixed Assets	2254	-	2254
Net current assets	309,880	125,348	435,228
	312,134	125,348	**437,482**

12. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property 2023 £	2022 £
Within 1 year	**9,486**	9,486
	9,486	9,486

13. Related party transactions

Some members of LCN's board of trustees work in community Law Centres that receive funds from LCN. When funding decisions are taken in respect of these community Law Centres, the relevant representative is excluded from the discussions taking place.

		2023 £	2022 £
Camden Law Centre	(Sean Canning)	**10,500**	**-**
Derbyshire Law Centre	(Sharon Chandlers)	**9,834**	18,000
South West london Law Centre	(Patrick Maples)	**15,000**	12,527

14 Reconciliation of net income/expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure as per the statement of financial activities	**(156,667)**	**(169,509)**
Adjustments for:		
Depreciation charges	**1,207**	1,207
Investment income	**(169)**	(37)
Decrease in debtors	**18,997**	445
Decrease in creditors	**21,297**	13,278
Net cash used in operating activities	**(115,336)**	**(154,616)**

15. COMPARATIVE INFORMATION:Statement of financial activities (incorporating an income and expenditure account) for year ended 31 March 2022

	Note	Restricted £	Unrestricted £	**2022 Total £**
Income and Endowments				
Donations	2a	-	159,847	159,847
Charitable activities	2b	713,108	180,863	893,971
Investments		-	37	37
Other	2c	-	3,753	3,753
Total		713,108	344,500	**1,057,608**
Expenditure on:				
Raising funds		-	33,064	33,064
Charitable activities	3	888,450	305,603	1,194,053
Total		888,450	338,667	1,227,117
Net (expenditure) / Income		**(175,342)**	**5,833**	**(169,509)**
Net movement in funds		(175,342)	5,833	(169,509)
Reconciliation of funds:				
Total funds brought forward	10	300,690	306,301	606,991
Total funds carried forward		**125,348**	**312,134**	**437,482**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

LAW CENTRES FEDERATION

England & Wales - Charity number 1088588

Accounts

Company no. 2433492
Charity no. 1088588

Law Centres Federation

Report and Financial Statements

31 March 2022

Law Centres Federation
Reference and Administrative Details for the year ended 31 March 2022

Company number 2433492
Charity number 1088588
Registered office and operational address
1 Lady Hale Gate
Gray's Inn
London
WC1X 8BS

Executive Officers
The following served on the executive Committee throughout the year:
From 1 April 2021 to 12 November 2021:

Chair:	Helen Rogers
Vice Chair:	Peter Kandler
Vice Chair:	Ursula O'Hare
Treasurer:	Sean Canning
Secretary:	Elayne Hill

Committee Members:
Roger Berry
Sharon Challands
Sara Chandler (co-opted from 7 December 2020)
Claudia Estephane (co-opted from 7 December 2020)
Vicky Fewkes
Manuela Grayson
Sue James (co-opted from 12 April 2021)
Ngaryan Higham (Li)
Patrick Marples
Pamela Robotham (co-opted from 7 December 2020)
David Slater
Linda Summers

From 12 November 2021 to 31 March 2022:

Chair:	Helen Rogers
Vice Chair:	Patrick Marples
Vice Chair:	Ursula O'Hare
Treasurer:	Sean Canning
Secretary:	Victoria Fewkes

Committee Members:
Helen Bagley
Sophie Brown (appointed 11 April 2022)
Sara Chandler (co-opted on13 December 2021)
Claudia Estephane (co-opted on 13 December 2021)
Manuela Grayson
Ngaryan Higham (Li)
Peter Kandler (co-opted on 13 December 2021)
Barbara Likulunga (until 13 December 2021)
Sue James
Pamela Robotham (co-opted on 13 December 2021)
Daniel Scrase (co-opted 11 July 2022)
Claire Stern
Linda Summers

On 31st March 2022 there were 4 elected vacancies on the committee.
The officers and committee members are all members of the Executive Committee.

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 42.

Members of the Executive Committee had no beneficial interest in the charity.

Bankers	The Cooperative Bank Islington High Street London N1 9TR
	CAF Bank 25 Kings Hill Avenue Kings Hill, West Malling Kent, ME19 4JQ
	Charity Bank Ltd Fosse House 182 High Street Tonbridge TN9 1BE
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022

The Executive Committee, which is also the Board of Directors of the charitable company for the purposes of the Companies Act, submit its annual report and financial statements of the Law Centres Federation for the year ended 31 March 2022. The Executive Committee confirms that the annual report and financial statements of the Law Centres Federation comply with current statutory requirements, the requirements of its governing document, as provided in its Memorandum and Articles of Association, and the provisions of Accounting and Reporting by Charities preparing their accounts in accordance with Accounting and Reporting by FRS 102 Charities SORP.

The reference and administrative details on page 1 form part of this report.

The Law Centres Federation trades as the Law Centres Network (LCN).

The Law Centres Federation is a registered charity and a company limited by guarantee. It is governed by the Memorandum and Articles of Association created in 1978 and last updated at the 2019 AGM. The company is registered at Companies House, registration number 2433492. The company is also a Registered Charity registration number 1088588.

Election of Directors/Trustees to the Executive Committee and ongoing Training

LCN is governed by an elected Executive Committee which has corporate and legal responsibility for all activities and functions of the organisation.

People are nominated prior to election, or re-election, by member Law Centres at the Annual General Meeting, in accordance with the Memorandum and Articles of Association of the Law Centres Federation. This provides for the election of 15 members: five officers, five representatives of member Law Centres' management committees and five employees of member Law Centres. Up to five additional Executive Committee members may be appointed by co-option.

The Law Centres Network is committed to ensuring that the membership of the Executive Committee reflects the diversity of its member Law Centres. It annually reviews its composition for diversity as well as the skills of its members to ensure that a balance is maintained of geographic, developmental, financial, legal and management skills across the Executive Committee to enable it to discharge its duties.

An induction event is offered to new Executive Committee members at the beginning of their term of office. All new Executive Committee members receive an induction pack that includes information about the Law Centres Network, and a briefing that outlines the roles and responsibilities of the Executive Committee as both company directors and charity trustees. Recent copies of minutes, management accounts and management reports, together with copies of the Memorandum and Articles of Association, are included in the induction pack.

Charity Governance Code

Throughout the year, trustees are provided with updated information on changes to relevant legislation, their responsibilities as trustees, new guidance provided by the Charities Commission, or other relevant information that may assist them to carry out their duties as Trustees. We also provide training on relevant topics and invite speakers to the Board Meetings as part of our ongoing training for trustees.

Trustees are aware of the Charity Governance Code published in 2017 that sets out the principles and recommended practice for good governance within the sector. LCN has reviewed its governance arrangements against the principles within the Code and believes that it is compliant whilst maintaining its need to operate its governance efficiently.

The charity purchased insurance costing £769.98 included in Support Costs, to protect it from loss arising from neglect or default of the Trustees Directors / Executive Committee members and to indemnify the Trustees against the consequences of neglect or default on their part.

Risk Management

The Executive Committee has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The system of internal controls is designed to provide assurance that the charity's funds are used in line with its charitable objects, for the purposes for which they were granted and for the public benefit. These controls include:

- A strategic plan and an annual budget approved by the Executive Committee.
- Regular oversight and consideration by the Executive Committee of financial information, variance from budgets and non-financial performance reports.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Overall responsibility for the Law Centres Network rests with the Executive Committee. Day-to-day management of the LCN has been devolved to the Director.

The LCN undertakes formal risk management reviews on a quarterly basis throughout the year. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways to mitigate the risks.

LCN identified the key risk in the coming three years as: ability to maintain sufficient funding particularly given the ongoing impact of inflation, cost of living crisis and Covid 19; loss of key personnel; and the loss of Law Centres as a result of insufficient funds or inability to recruit staff. The Trustees also consider the potential impact of political instability and a regularly changing policy environment as a risk for both Law Centres and LCN. Mitigations were put in place for each of these risks.

The Executive Committee is pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Pay and remuneration of the charity's key management personnel

All LCN staff including key managers have their salary set against the NJC Pay Scales. New staff starting salary is set at the pay point which most closely matches their job description. Increases to the Award, which occur from time-to-time, are passed on to staff. The Human Resources Sub-Committee of the Executive Committee monitor LCN's salary policy and make changes as required.

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022

Objects and Activities

The Law Centres Federation (LCN) is the national organisation that represents Law Centres. The term "Law Centre" is a registered trademark, available for use only by members of the Law Centres Federation.

The objects of the Law Centres Federation (LCN) are:

1. To relieve charitable need, in particular financial hardship, and in so doing provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom
2. To advance the education of the public by assisting Law Centres in improving and diffusing knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas or the law which are of particular concern to poor people or are directed to the relief of poverty.

Law Centres are not-for-profit legal service providers, specialising in social welfare law (housing, immigration, employment, welfare benefits, mental health, community care, public law, etc) and related areas of law that affect people in their daily lives, particularly people who are vulnerable and/or economically disadvantaged. Without Law Centres hundreds of thousands of people would have no meaningful access to justice and could not resolve their problems so would be hindered from taking up opportunities.

To become a Law Centre an organisation needs to be vetted by the Law Centres Network, and then voted in by the current membership at a General Meeting. To enjoy the benefits of membership each Law Centre has to comply with membership regulations, including employing at least 2 lawyers and having an independent management committee drawn from the community it serves.

On 31 March 2022 there were 42 Law Centres operating that are members of the Law Centres Network. LCN also has 2 Affiliates. Affiliate status is intended specifically for collegiate law clinics, operated by law students under professional supervision, to ally themselves with Law Centres' work for access to justice and to suggest social welfare law as a career path to a new generation of legal professionals.

The Executive Committee secured resources to employ a Director with 11 staff to implement the organisation's strategic objectives in 2021-2022. These are reviewed and agreed each year so that LCN can achieve its vision and mission:

LCN's Vision - The Law Centres Network strives for a just and equal society where everyone's rights are valued, defended and protected.

LCN's Mission - We uphold justice for socially and economically disadvantaged members of society by supporting a national network of Law Centres that use their legal skills as a tool for change and their legal expertise to defend the rights of people in their communities. We represent Law Centres at all levels of government and national forums, we help centres to maximise their potential as sustainable organisations, we initiate new Law Centre services for particularly vulnerable groups, and we champion the Law Centre model. We are the collective voice of Law Centres.

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022

LCN's Strategic Goals for 2021-2022

1. Help Law Centres to thrive
2. Stengthen the network of Law Centres
3. Amplify Law Centres' collective voice

The Law Centres Network acts as a catalyst for activity across Law Centres, working on a national level to reveal injustice, analysing needs and root causes and advocating for change. LCN is uniquely placed to identify what has worked, collect evidence and share that learning across the network of Law Centres and then support other Law Centres to take up proven methods. It drives quality across Law Centres and enables local Law Centres to join together so they can design strategic national responses and exert influence, yet still be embedded in and driven by the needs in their local communities. In this way LCN achieves its charitable objects and its public benefit is produced.

Public Benefit

The Executive Committee (EC) considers that the activity undertaken to achieve its Vision and Mission are for the benefit of the public. The EC referred to the guidance contained in the Charity Commission's general guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB")' when reviewing its strategic objectives and setting the approach it will take as part of its annual planning process. The EC also reviews progress against the objectives and activity undertaken on a quarterly basis.

LCN's activities benefit the public in 3 ways:

1. Through direct service provision with activities such as the EUSS Post-Brexit Project which assist EU nationals living in the U.K. to understand their rights and access the services to which they are entitled and to apply for Settled Status.
2. Through providing services to Law Centres that enable them to provide legal services to vulnerable and disadvantaged people in their communities with activities such as assisting with tender preparation and funding bids, training, governance support, facilitating effective collaboration and sharing of resources.
3. Through policy work that seeks to address the underlying causes of people's legal problems through strategic projects, through responding to consultations, participating in reviews, representing Law Centres with decision makers, and through working to extend the availability of free legal services for disadvantaged people.

LCN reports publicly on its activity and impact in its Annual Review available on our website: http://www.lawcentres.org.uk/policy/papers-and-publications and published with our annual return to the Charities Commission.

Throughout 2021-2022 LCN considered all its activities were for the benefit of the public and were guided by our strategic plan.

Impact 2021-2022

At the strategic planning session in February 2022, LCN staff and Executive Committee reviewed its progress alongside its review of LCN's impact. This is reported on below.

> *" I would never have thought LCN could do more than it did the year before, but it has (always does). LCN's reputation, the quality of its work for LCs, credibility in the sector etc is getting stronger year on year. "*

2021-2022 Response to Covid-19

The impact of the Covid pandemic continued to be felt in 2021-2022. However, the surge in funds to support adaptions and new ways of working, reduced dramatically in 2021-2022.

LCN worked with Law Centres to adapt the ways of working introduced at speed in 2020. Together we reflected on what we learnt over the previous year and to identify those changes that we must keep, those to drop and to continue experimenting with new approaches.

> *"Thank you to all at LCN for all your ongoing support and guidance, you have brought all of us together and continued to push forward past Covid-19, sharing best practice and helping us all to keep going and keep everyone safe"*

Progress against LCN's Strategic Goals for 2021-2022

Strategic Goal 1 - Help Law Centres

Community Engagement Programme

Following the success of our Working Brilliantly with Communities programme we set about cementing this focus as a key component of our core offering to Law Centres. We took the learning from our previous work and used this to redefine the requirements of the team before recruiting an experienced Community Engagement Officer in late 2021. Although National Lotteries funding had provided a step-change in capacity for a short period, we now needed to build an effective strategy to deliver sustained impact.

We began by carrying out an extensive and ongoing mapping exercise through virtual meetings and in-person visits to Law Centres. This helped us to better understand the scope and scale of community engagement work across the network and identify opportunities to deepen the relationships between Law Centres and their communities. As a result of this work we established a community of practice. The group meets virtually on a monthly basis, bringing together practitioners from across the network to share best practice, generate ideas, and convene around emerging issues.

Finally, we renewed our strategic approach to this work, identifying the problems we are trying to solve and defining our offer to Law Centres. This strategy will be delivered during 2022/23 but has already attracted funding from the John Ellerman Foundation, ensuring that we can continue to develop this area of work until at least 2025.

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022

Law Centres at risk

During this period we introduced a more comprehensive risk register of Law Centres. The register was updated on a regular basis with intelligence gathered from Law Centres, LCN staff, trusted consultants, funders and others. Quarterly reviews of the register informed the provision of support and distribution of resources. This allowed us to help resolve short-term issues promptly and effectively and to closely monitor those Law Centres with more complex and long-standing issues. As a result, no Law Centre experienced risk of closure during this period. The register also enabled streamlined reporting and greater awareness of risk.

Law Centre support programme

> *"If we weren't a Law Centre, we wouldn't be here now. I'm very resilient but the ongoing support of weekly meetings, and leadership programme have been great. I love being in this group."*

We continued to deliver a varied programme of support to Law Centres including:

- **Peer support for Law Centre managers** – Weekly meetings where managers benefitted from a safe space to share issues and experiences, as well as celebrate achievements together. The introduction of smaller, confidential discussions between managers helped to develop stronger relationships and reduce isolation.

- **Communities of practice** – Development of more than 20 virtual groups spanning a wide variety of roles and issues. Varying in size, these groups allow Law Centre staff and volunteers who share similar roles or interests to connect, learn and grow together.

- **Support through Covid** – Continued advice and information to help Law Centres navigate the ongoing challenges posed by the pandemic, including changes to the law and guidance and key considerations prior to re-opening services.

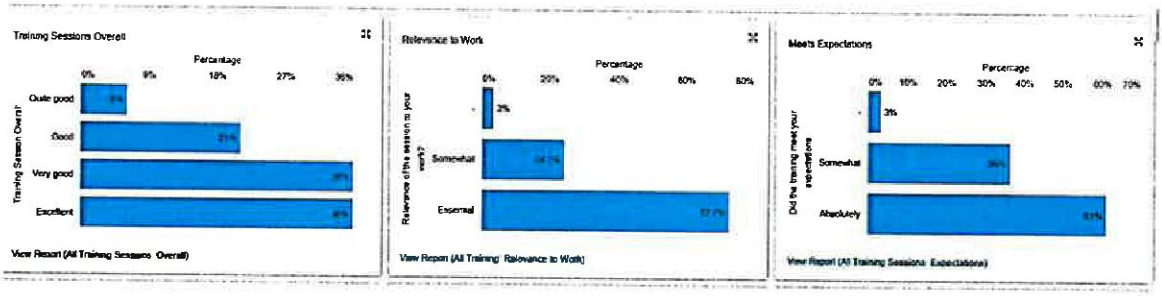
- **Consultancy** – Direct support, brokered and funded by LCN, to help resolve a variety of issues related to:
    - Project scoping and development
    - Funding strategy and grant applications
    - Financial planning and reporting
    - Operational policy and procedure
    - Governance and constitution
    - Organisational efficiency and managing people
    - Compliance and quality

  During this period we identified a potential risk in seeking consultancy from a small number of trusted experts. To mitigate this risk we began to develop an internal panel of consultants – experienced people drawn from Law Centres, able to support others with many of the issues listed above in a formal capacity. The panel will begin operating during 2022/23.

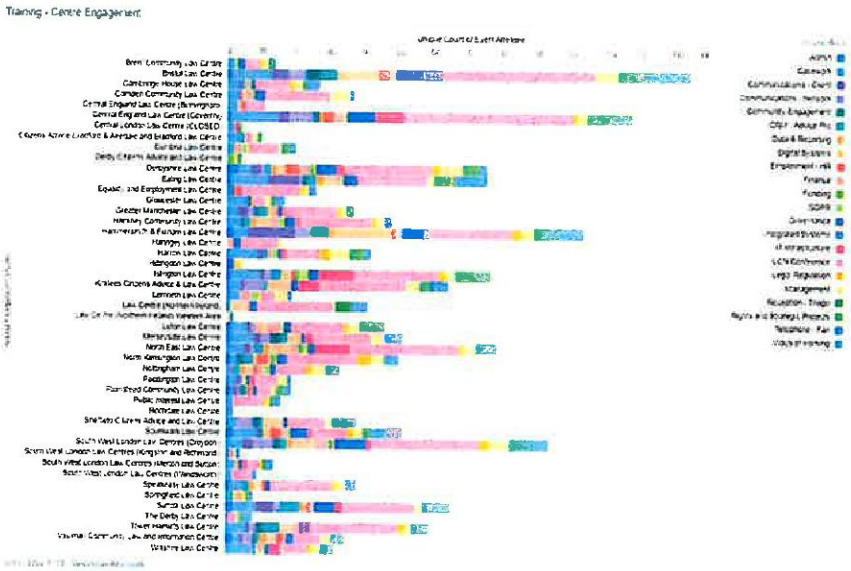
- **Coaching** – More than 60 1:1 sessions between LCN Head of Service Development and senior Law Centre staff to help resolve a variety of operational and financial issues.

- **Formal training** –Our programme continued to be member-led, responding to emerging issues and the changing needs of Law Centres. In addition to LCN training and events, 7 Law Centre managers and future leaders were supported to access LAPG's Management and Leadership Programme.

- Feedback from Law Centres on LCN provided training continues to be very good to excellent:



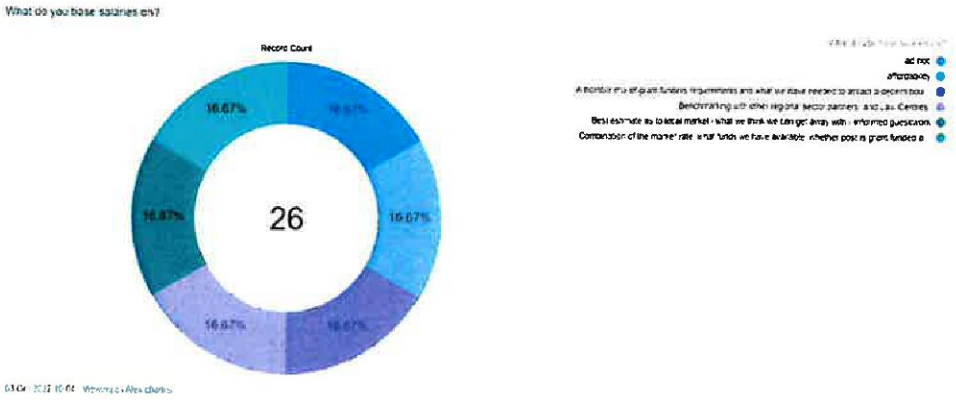
Following the intensity of the Covid period, 90% of Law Centres have continued to participate in LCN events and training.
See below:



Workforce Development

Across the legal advice and legal aid sector, staff retention and recruitment are at crisis point. Law Centres have identified this as there biggest threat in coming years. LCN has undertaken initial research on the extent of the problem and potential strategies to address it. We have scoped a 4 stranded project and will commence work on it in late 2022.

To support LCN's Workforce Development program, the Executive Committee has created a Diversity Sub Committee to encourage a focus on increasing **diversity** in all roles at Law Centres.



Law Centre in a Box

Launched in April 2021, the original box concept quickly grew to become a digital space where Law Centre staff, volunteers and trustees can learn, connect and grow together. It now includes:

- Over **120 how-to guides** across a range of areas including governance, service design, managing people, finance, communications, and community engagement
- Almost **100 template policies, procedures and other documents**
- **Bios and contact details** for almost 100 Law Centre and LCN staff
- **20 discussion groups** where practitioners can find support from their peers, such as our housing group where over 120 specialists share their knowledge and experience
- Details of **events, training sessions and vacancies** from across the Network and beyond
- Details of **innovative and impactful projects** from across the Network, such as Southwark Law Centre's partnership with Guys' and St Thomas' to provide legal representation to homeless hospital patients
- Details of almost **200 grant funding opportunities**, curated for Law Centres
- **Updates from LCN** and the wider social justice sector

The Platform has been well received by our members: *"It's a fantastic resource for Law Centres, providing a broad range of advice, resources and a great info exchange".*

New Law Centres

During the pandemic we focussed on supporting our existing Law Centres and at the same time saw a steep decline in the number of membership enquiries. However, from January 2022 we saw a marked increase in enquiries from both existing organisations and individuals. We worked with 14 groups across the year and actively supported 7 towards membership, including 3 who we expect to

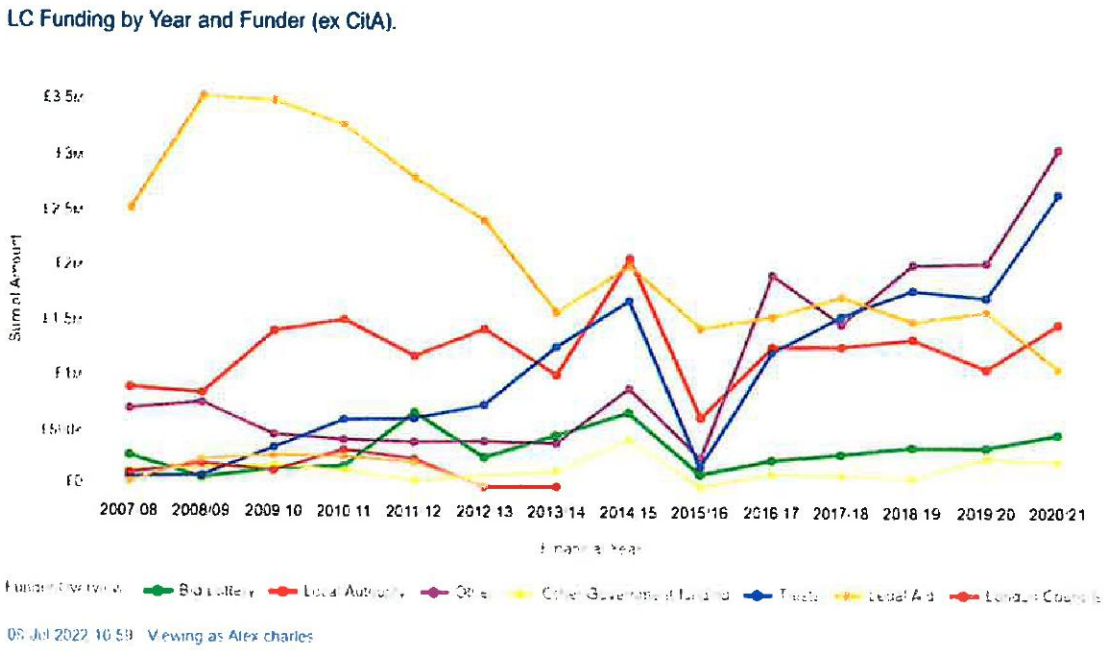
join the network during 2022/23. We were particularly pleased to see growth in rural communities including North Wales and North Yorkshire.

We reviewed and mapped our membership process, from initial enquiry through to membership, taking the opportunity to automate parts of the process and improve communication. This work will be completed with the redevelopment of our website in 2022/23. Our work with North Wales Law Centre Steering Group allowed us begin creating a new journey for groups who are starting from scratch. This included support to:

- Form an effective steering group
- Define a development strategy
- Secure start-up funding
- Embed best practice policy and procedure
- Recruit and support staff
- Procure and install IT equipment and infrastructure

Fundraising for Law Centres

The graph below shows the dramatic shift in Law Centres funds over the last 15 years with legal aid income at 28.6% of the 2008/2009 level. Funds from trusts and foundations have increased but this is mostly project based and short term. Consequently, each year LCN undertakes a number of activities to secure funds for Law Centres.



One such activity is to assist individual Law Centres to make funding applications:



Another is to attract donations for Law Centres. Last year we secured £72,000 in donations to be distributed amongst Law Centres. Particular thanks to Adam Wagner for his support of the Big Give campaign and the extraordinary fundraising effort for Law Centres.

Donations for Law Centres	**2021 -2022**
Just Giving	£14,338.56
HMRC	£1,012.04
Other Donations	£13,000.00
Big Give	£43,652.81
	£72,003.41

In addition, LCN is working to develop the Community Justice Fund, a collaboration between a group of funders who generously support Law Centres and other specialist legal advice providers. The aim is to create a large pool of independent funding available for use as Core funds over longer periods.

Data

As the membership body for Law Centres, LCN has a vital role in Helping Law Centres; Strengthening the Law Centre Network; and Amplifying its Collective Voice. Combined with an increasing need to help Law Centres with digital technology, digital services and to collect useful data, as well as LCN's own need for better data and speedier access to current data, our data journey this year has seen progress on a number of interesting initiatives:

- **Theory of Change development:** funded by the Legal Education Foundation, LCN worked with consultants to develop a clear Theory of Change to better understand the impact of our work using data and evidence. This resulted in:
    - Revised Theory of Change with greater clarity over outcomes, activities and data points needed to evidence if we our meeting our objectives and needs of our members;

- A better way of communication to anyone about what LCN does and how we do it;
- Data audit: a clearer overview of the data available across the whole organisation and how this evidences our Theory of Change
- Data Principles: development of guidelines for collecting and using data, and developing LCN's data strategy and data maturity

- **Data Standards and Taxonomies:**
  - **Engaging in cross-sector initiatives** on developing Data Standards for enquiries and legal provision, including presentations at the Justice and Innovation Group and Ministry of Justice / Community Justice Fund Learning Summit.
  - **Developing the data architecture** underpinning LCN's systems and tools we develop, and aligning these with Law Centres, and wider Access to Justice data standards, where possible.
- **Improving use of CMS and digital tools for collection and analysis of legal data:**
  - **Advice Pro workshops:** developed a series of themed workshops to help Law Centres make better use of Advice Pro e.g. how to streamline your audit using Advice Pro.
  - **Advice Pro Champions:** setup a Community of Practice, bringing together Advice Pro users from across the network to share, learn and help each other in their use of Advice Pro.
  - **Advice Pro Group Reporting and Analysis:** a deep dive analysis of anonymised legal data help in Advice Pro to better understand the data architecture, taxonomies being used for describing legal issues, how these are being used across the network, where are the gaps etc.) The results were written up and shared with participating Law Centres to help tell the story of data and gain buy in for future data development work.
  - **Enquiry Desk:** A tool under development to help Law Centres capture enquiry information, including turn-aways. Will lead to better data on types of enquiries and in evidencing demand and need.
- **Developing Resources:**
  - **Guides and Resources**: developing guides and templates for Law Centres to support data collection;
  - **Gathering evidence**: from Law Centres on barriers to data collection and developing data maturity;
  - **Funding**: engaging with conversations with funders and policy makers to advocate for more funding for data work.
- **GDPR:**
  - **Audit:** commissioned an independent audit of our current policies and procedures to identify improvements for compliance and embedding privacy by design principles as our work grows and develops.

Digital Transformation

LCN's Digital Programme of work continued to be a major focus throughout 2021-2022. Below are highlights of that work.

The **National IT Upgrade Project,** funded by Legal Education Foundation, has been running since 2015 and is now in its fourth Phase. Phase 3 was completed in 2020 / 2021. It forms part

of LCN's wider Digital Transformation initiative to enable Law Centres to embrace digital solutions where relevant, to improve ways of working and improve the experience of clients accessing Law Centre services. It focuses on Digital Infrastructure and facilitating improved ways of working through adoption of cloud technologies and collaborative tools like Office 365 (O365). This involves an audit of existing infrastructure, replacing or updating old or antiquated infrastructure and systems (laptops, equipment, telephone etc.), safe disposal of obsolete equipment (old computers and servers), upgraded networking equipment and capabilities, support to move emails and files into the cloud, as well as training and support to make the most of O365.

By 31 March 2022:

- In total over Phase 1 - 4 of the IT upgrade project: LCN successfully upgraded 28 Law Centres in 33 locations with approximately 1000 users;
- In Phase 4: 8 Law Centres migrated to the Cloud, including two of our largest Members and one emerging Law Centre in the process of setting up (conversations with several other Law Centres to join the Scheme are ongoing);
- Over 315 pieces of new IT equipment provided to Law Centres (including laptops, desktops, docking stations and monitors);
- Networking upgrades and managed switches installed at 8 Law Centres leading to improved network monitoring and protection of Law Centre systems, also minimising any risks to business continuity from potential time down;
- Over 215 staff, trustees and volunteer leveraging opportunities for new ways of working, including hybrid working, Teams Telephony and O365 Apps such as Bookings, Power BI and Microsoft Forms;
- Improved collaboration across Law Centres through Teams, Communities of Practice Groups and better document collaboration.
- The time saved and the improvement in efficiency as a result of better digital equipment is the equivalent of 9 full-time staff.

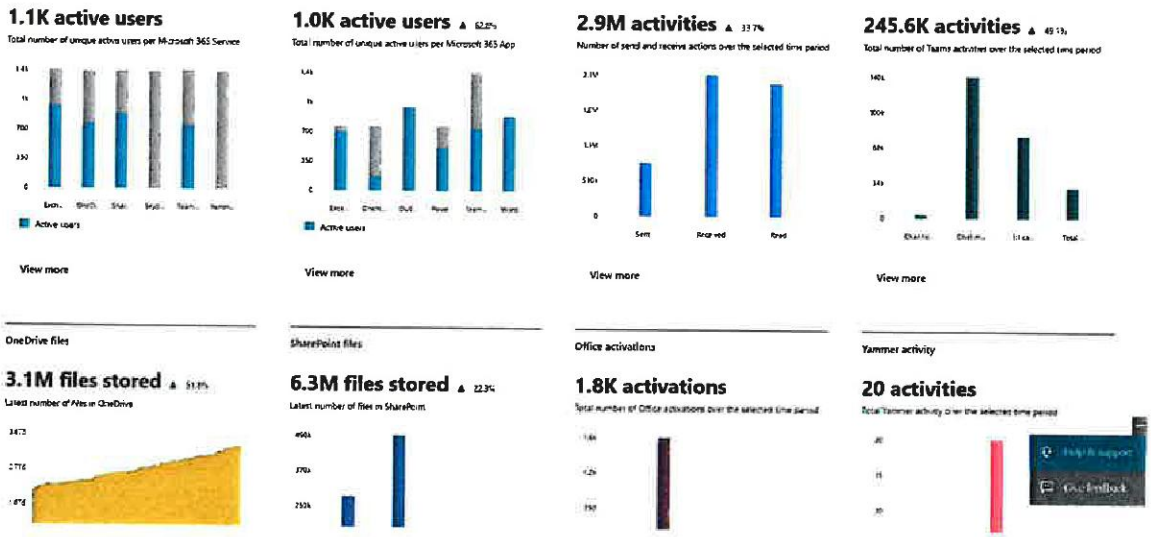
In addition:

- Better hardware deal negotiated with Dell (up to 20% discount off RRP) through LCN Membership Scheme, open to Law Centres both in and out of the National IT Project
- Improved IT Support offer negotiated for Law Centres;
- Independent audit of security configuration for hardware and O365 ensuring improved security across the O365 Tenant and compliance with best practice;
- Updated documentation to support compliance with GDPR;
- Improved staff satisfaction, trust and confidence in Law Centre IT system;
- Reduction in staff time dealing with IT problems leading to improved service to clients;

"I just wanted to say a huge THANK YOU for your support and for getting us onto the LCN IT upgrade project. We have just completed our first week post-migration and things are going really well. Thank you also for all of the laptops and equipment that we have been given as part of the upgrade. We could have never afforded to do this ourselves and the new cloud-based system is so much more reliable and faster (and not to mention neater).

Can I also just say that the IT support has been phenomenal. You will know how frustrated we were with our old IT support and they have just been a breath of fresh air. Their response time and

helpfulness is outstanding. They have solved so many historical technological problems for us and the staff are just full of praise for them. Their service has been exceptional. Thank you for giving us such an excellent opportunity".



Salesforce Back-office Pilot Project

As part of our Digital Transformation initiative, LCN is working with four Law Centres to implement Salesforce to manage back-office functions like grant, contact and volunteer management, as well as HR and other office management related tasks. With many Law Centres still using a combination of paper and spreadsheets, which is often held in silos across the organisation, this Pilot aims to digitise and centralise many of the Law Centres back-office processes and procedures, whilst providing better accessibility, security and management of data. Under the Power of Us Program, which provides 10 Salesforce licenses to charities for free, Law Centres are able to benefit from a powerful cloud-platform, customised specifically for their needs, for no cost.

User research and testing was undertaken with the key people at the Law Centre who manage or are involved in delivery of these functions in order to:

- Understand motivations and goals for the project, as well as priorities and timelines;
- Identify and plan for improved compliance and risk management;
- Deep dive into current processes and procedures to identify gaps, blockers and opportunities for refinement;
- Review existing documentation, policies and procedures with a view to streamlining and aligning these across Law Centres;
- Understand where automation could be used to deliver improvements such as efficiency and better data integrity;
- Document essential and non-essential functional and non-functional requirements;
- Establish a Minimum Viable Product to test with Law Centres before deployment.

Pilot Law Centres are up and running in terms of contact and grant management, and the deployment of the HR package will go live at each pilot Law Centre in July 2022. These 4 Law Centres will receive ongoing support from LCN during the implementation phase of the project, and if

successful, the Pilot can be extended to other Law Centres and potentially expanded to cover other key back-office functionality.

Anticipated benefits include:

- Minimising risk and increasing efficiency
- Improved collaboration and reduction of duplication
- Centralised systems and more paperless working
- Improved intelligence on operations and office management
- Improved security and compliance with regulation
- Improved systems and processes for succession planning



A HR Overview Dashboard using dummy HR data entered by Law Centres during training.

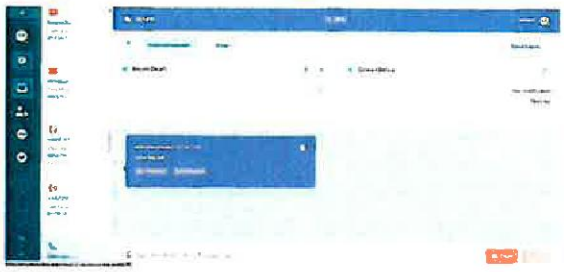
Enquiry Desk

We continued to develop this digital tool to assist Law Centres to better manage enquiries received through multiple channels: telephone, email, SMS or in person (via WhatsApp in the future) using only one web browser-based light weight tool. 2 Law Centres are part of our pilot and have contributed to the development of new improved functionality: quick-reply templates, configuration at Law Centre level (automatic email response and voicemail message, enquiry and contact form, classification fields, user management), enquiry assignment, improved search and date range for statistics.

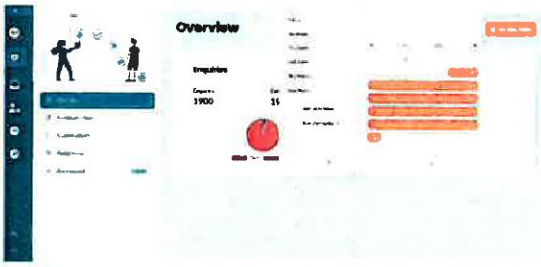
Key benefits include:

- Voice calls (incoming/outgoing/voicemails) and emails (incoming/outgoing) can be dealt with in one single tool that can be used by several staff simultaneously
- Person-centred tool that captures and keeps a history of contacts made so clients do not need to repeat themselves and staff know the status of the enquiry at any given time

- Increased efficiency and quality of client contact, no clients fall through the net and Law Centre response is more consistent (use of reply templates)
- Passive collection of enquiries high level statistics and easy monitoring of enquiry volume and type that allows better allocation of resources by management









Strategic Goal 2

Strengthen the Network of Law Centres

2021/2022 priorities

People who can't find help – What LCN sees

LCN has always received enquiries from people searching for assistance. However, the numbers contacting LCN is increasing both as a consequence of growing need for assistance and capacity of other agencies to assist.

Most of the enquiries will be referred to LCN from other organisations, including ACAS, Citizens Advice, Ministry of Justice, or statutory bodies. We also receive regular enquiries from people seeking help from abroad, mostly regarding entering the UK or naturalisation queries. Below is a snapshot of what LCN sees:

Enquiries to LCN 01/04/2021 – 31/03/2022
DAILY average incoming enquiries - **36**
Calls: 22
Emails: 12
SMS: 2

Area of law	No. enquiries	% of total enquiries
Employment	173	16%
Immigration, Asylum, EUSS	167	15.5%
Housing	149	14%
Family	114	11%
Criminal	80	
Other	97	
Discrimination	53	
Welfare benefits	37	
Consumer / small claims	36	
Human Rights	27	
Debt	23	
Actions against police	20	
Community care	19	
Wills & Probate	18	
Mental health	14	
Public law	12	
General	8	
Neighbour dispute	8	
Personal injury	8	
Conveyancing	6	
Motoring offences	5	
Education	3	
Grand Total	**1,077**	

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022

Governance

As part of our digitisation effort and following our successful transition to the use of digital meeting papers during the pandemic, LCN has gone one step further and created a SharePoint site for the Executive Committee. All the relevant documents (meeting agendas/papers and minutes of previous meetings), resources (eg new induction pack) and links to forms (eg declaration of Directors' interests) are stored in one central place for easier access at any given time.

The site can only be accessed by members of the Executive Committee private group which provides increased confidentiality and security. The process of sharing meeting papers has also been streamlined as only links are now shared with EC members instead of documents attached to emails. Separate folders for the sub-committees have also been set up and are only accessible by members of those committees. Having a new centralised virtual space was positively received so we have created several similar sites to support the development of Communities of Practice and Special Interest groups across the Network.



2021 Annual Law Centre Conference

In November, LCN hosted our Law Centres Annual Conference "Justice in the Balance" online for the second year, this time using a platform LCN designed and developed in-house. The idea was to create a microsite that could be rebranded and reused year after year as well as open-sourced.

Over 3 days, we held 28 sessions including 6 plenaries, workshops, networking and our AGM with a total of 1,130 attendees.

Law Centres Federation

Report of the Executive Committee for the year ended 31 March 2022



Law Centre Engagement

"Thank you to LCN for being fantastic support over course of the year. Being able to come here every Tuesday and talk to people going through the same issues has been incredibly helpful. The feeling that other people have your back is so important. "



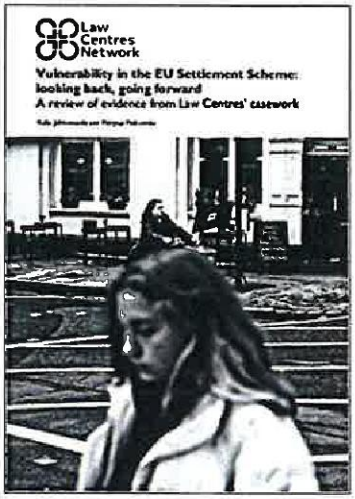
Strategic National Projects

Increasing access to EUSS for vulnerable Londoners project (Sept 2020 - Aug 2022)

Purpose: The funding is for LCN to use data, relationships, and 'seats at the table', from 5 years working with EU citizens, to understand groups unlikely to apply for Settlement. This will inform targeted service design, strategic litigation, policy and advocacy to support vulnerable EU Londoners to stay in the UK.

Highlights from activity 1 Apr 2021 - 30 March 2022:

- Collaboration with Harrow and Tower Hamlets Law Centres and LCN to share information on problems they are seeing with EUSS and vulnerable clients, ability of people to apply to scheme after deadline, to identify issues to be addressed, and to jointly develop policy and other responses.
- Continued collaboration with other organisations to monitor and respond to issues arising from the EUSS, particularly with vulnerable EU citizens living in London. Participated in regular forums on EUSS - HO Safeguarding User Group, EU Delegation's EUSS Monitoring Group, the EUSS Alliance.
- Published research Report *Vulnerability in the EUSS: Looking back, Going Forward* in July 2021 that analyses a unique set of data from Law Centres casework assisting EU citizens in the UK over 10 years, before and after the EU Settlement Scheme.



- Report was well received and is being referred to academics, policy makers, and other organisations working with immigrant communities. It has been acknowledged as a unique insight based on a unique set of data that is not readily available.
- Extensive interest in LCN data from other organisations particularly around what appears to be a racialized response by Home Office to BAME EU nationals. The research identified approx. 50% of our complex EUSS cases involved people who are BAME EU nationals. The next phase of this research will focus in on this topic.
- Partners report the increasing high vulnerability of clients on the ground

Overcoming language barriers for victims of crime (May 2019 - July 2023)

Purpose: The project seeks to address the problem of barriers in access to justice and services faced by victims of crime who have English as a second language.

Highlights from activity 1 April 2021 – 30 March 2022

- Greater Manchester Law Centre joined the project in Year 3, extending its reach outside London
- Working with other Law Centres outside London to join project, at least one new centre will join in 2022 extending the understanding of the issues facing Victims of Crime who have English as a second language and the developing better responses to these issues
- Knowledge transfer and sharing understanding of problems being experienced locally with Harrow and Greater Manchester Law Centres and development of other responses
- Two seminars organised to extend learning from the project to other Law Centres - "How does support for Victims of Crime fit within wider Law Centre services?"
- Collaboration with Allen & Overy to make a series of Freedom of Information Requests to police nationally to learn more about how police respond to victims of crime with English as an additional language.
- Next phase will be to analyse results of the FOIs and together with partners identify good practice, policy changes required, and advocacy that needs to be undertaken.

- Particular focus has been with victims of trafficking, women suffering domestic abuse, young people threatened with violence

CRISIS Project

The Crisis Project was a collaboration between LCN, 3 Law Centres, Public Law Project and homelessness charity, Crisis. The purpose of the project was to increase the availability and accessibility of legal information and specialist social welfare and public law advice to Crisis Skylight centres and other frontline organisations. The project aimed to test this approach, and if successful, to develop further.

When established it was hoped that funds would be available for the project to run for 2 years, but 12 months funds only were secured. However, as a test of concept the project worked well. In addition to people getting help with welfare benefits and immigration problems, it established direct referral routes between Law Centres, PLP and Crisis Skylight centres enabling more people to get the help they need more quickly and without knocking on wrong doors and identifying underlying problems that may be solved through strategic litigation.

Strategic Goal 3

Amplify the collective voice of Law Centres

Policy and advocacy: legal aid and access to justice

- **Broadening access to legal aid**
    - Widening eligibility: as the culmination of nearly three years taking part in MoJ's legal aid means test review, we submitted a consultation response on the final proposals in May 2022. Proposals should make up to 2m additional people eligible for legal aid
    - Bolstering homelessness prevention: we have been advocating for earlier and more joined-up legal assistance for people facing eviction. After an initial consultation in 2019 and special arrangements during the pandemic, submitted a consultation response on 'Housing Legal Aid: the Way Forward' in January 2022 and saw several of our recommendations taken up in subsequent policy
    - Restoring earlier intervention: we have been in ongoing dialogue with MoJ over plans to pilot the reintroduction of early legal advice, which got Treasury backing in late 2021. We are keen that the pilot be as much as possible a stepping stone toward a more timely and accessible civil legal aid provision
    - Advocating for better process: last autumn we have supported a member Law Centre by publicly highlighting online, in the media and in events how faulty Legal Aid Agency decision making have resulted in maladministration. LAA, a public body, created injustice by denying people the ability to challenge another public body, the Home Office. It also left the Law Centre £58,000 out of pocket, making it harder for it to help other people in need
- **Defending Human Rights**: we are concerned that changes to the UK human rights framework would remove the rights' universality, weaken protections in effect and have a disproportionate impact on people living in disadvantage, who are already more vulnerable to

state abuse. In April 2021, we submitted evidence the Independent Human Rights Act Review (IHRAR) commissioned by government. Its findings, which largely affirmed the current Human Rights Act, were largely ignored by the government and we have had to set out our concerns again when responding to the MoJ consultation on Human Rights Act reform in March 2022. Having undertaken some joint advocacy on this in recent months, we are now planning further and more intensive work following the tabling of the Bill of Rights Bill

- **Upholding rights in a changing justice system**
    - **Dispute resolution**: the government is keen to divert as many cases as possible away from long-under-resourced courts and tribunals and toward Alternative Dispute Resolution, in the form of mediation or ombudsman-led arbitration. We have grave concerns that this would be applied in inappropriate settings and would deny many disadvantaged people the opportunity to vindicate their rights. We have set out our concerns in some detail in our submission to the call for evidence on Dispute Resolution in October. We have also sought to raise the alarm with other legal practitioners with an opinion piece in the Christmas edition of Legal Action magazine. Later, we have also extensively fed into the review of last year's housing mediation pilot in early 2022. This theme will remain a rich seam of work in the medium term
    - **Fixed Recoverable Costs**: the government seeks to bring 'clarity' and cool demand for civil claims by capping the amount of costs that a losing defendant pays the winning claimant. This reform is likely to make several key housing case types uneconomical for lawyers who help tenants, forcing them to stop doing vital work or go out of business and damaging access to justice. Last September, when the policy intention was announced, we were among the first to approach the justice minister with our concerns. We have since contributed to joint research and advocacy on the issue, seeking an exemption from FRCs for housing claims. We have achieved a partial concession, exempting housing legal aid cases for two years – but continue to advocate for a broader exemption that would preserve important case types such as fighting unlawful evictions or property disrepair
    - **Possession reform**: procedural reform is often the 'fine print' of policy change but also the location the devil in the detail. We have been scrutinising the seven-year-long court reform programme throughout, and the reform of possession proceedings is its last project. The main elements of this reform – expansion of digital-by-default access to possession claims, simplifying forms and accelerating the process – will serve only the landlord side and we are concerned that this would put tenants at greater risk of faster eviction and, most likely, homelessness. Our current work on this will continue throughout the coming year

Policy and advocacy: other issues relating to Law Centres' work

- **Housing rights**: housing law is the most common area of practice among Law Centres that defend tenants in disadvantage. In anticipation of government reform of the private rented sector, last year we joined the Renters Reform Coalition, which brings together charities working in the housing field with grassroots renters' groups. We are campaigning for safe, secure and affordable homes for all, and are the key proponents in the coalition for an access to justice offering that truly serves tenants in their power imbalance with their landlords. In the meantime, we have also been working to improve housing options for social tenants. In January, we published a guidance note to local authorities, titled 'Exhaust All Options', that

helps local housing officers use the full breadth of the powers that they have to accommodate homeless people. This initiative was undertaken in collaboration with Camden Community Law Centre and with the Centre for Homelessness Impact, which is the government's designated What Works Centre on alleviating homelessness

- **Migrant rights**: immigration law is the second most common area of practice among Law Centres, and a significant proportion of their clients are migrants. We were therefore well placed to respond to the government's 'New Plan for Immigration' consultation last May, and were appalled to see the Nationality and Borders Act introduced and rushed through with no heed to the responses sought. We continue to take part in two joint campaigns for migrant rights: one to 'Lift the Ban' on asylum seekers working as they wait for decisions on their cases, and another to bring 'Families Together' through safer, simpler family reunion rules. LCN has also led 16 Law Centres in a nationwide service for EU nationals with complex cases who applied for Settled Status in the UK following Brexit. Having analysed our records, last July we published our previously unreleased findings in a report on 'Vulnerability in the EU Settlement Scheme', which we continue to draw on in our advocacy for better process and outcomes for a significant proportion of applicants
- **Disability rights**: while Long Covid is not recognised as a disability, the effects of this condition are debilitating and prevent many from working and earning their livelihoods. The clinical understanding of Long Covid is still developing and support provisions for people with the condition are very limited. Greater Manchester Law Centre has led work on this issue and has approached LCN for help in advocating for policy change, specifically on treating Long Covid as if it were a disability for the purposes of benefits and other support. LCN has facilitated contact with the national equality watchdog, the Equality and Human Rights Commission
- **Making the case for supporting legal advice**: in late 2021, in the run-up to the Chancellor's spending review, LCN contributed data to a report commissioned by the Community Justice Fund titled 'Defending the Public Purse', which provided analysis and arguments for public funding of community legal advice.

Communications and public profile

Our key challenge this year has been to develop LCN's communications capacity, primarily through appointing a permanent communications officer. This would allow us to follow through on our plans to make the Law Centre brand – what we stand for – better known and for the voices of local Law Centres and their clients to be amplified when addressing their experiences and current social issues.

- Recruited LCN's first ever full-time communications officer after a two-year period of temporary and part-time covers
- 22 Law Centres were covered in the media 71 times, and LCN – speaking on behalf of Law Centres – was covered 14 times, 1 in 6 of the total appearances
- Two-thirds of these media appearances (56 of 85) were in national platforms and titles rather than local ones
- Supported the community of practice of Law Centre staff with communications responsibilities through 3 meetings and a dedicated emailing list to share resources
- Work is underway to refresh the LCN brand with a view to creating a suite of assets for use across the network, not just by LCN

- Work is underway to build a new website for LCN for launch by November 2022, following extensive user research and planning



Impact

- Influenced several favourable policy amendments on legal aid eligibility, homelessness prevention, early legal advice and Fixed Recoverable Costs
- Published two reports with original analysis, on the EU Settlement Scheme and on council housing powers, in collaboration with influential subject area specialists
- Improved Law Centres' media profile on national outlets and spoke out about justice reform, procedural injustices and the impact of the cost-of-living crisis on Law Centre clients
- Increased joint campaigning activity on issues affecting Law Centre clients, primarily renters' rights, migrant rights and human rights

The Future - the next 10 years

The simple reality is that the speed of change is such that detailed planning for any longer than 6-12 months is often of very limited value as the staffing, funding, political and technological environment changes at a pace which means that strategic and operational planning need to be agile and adaptable (to ensure that opportunities are taken and that risks are managed and mitigated).

For this reason, LCN has changed its approach to business planning. Instead of annual reviews, we have implemented a 6 monthly review process. At each review, detail for the coming six months will be updated and the plan will be extended so that it always looks at least three years into the future.

The coming 3 years present big challenges, particularly as a result of the deepening cost of living crisis and the continuing impact of Covid-19. Law Centres are facing reduced funding in the year ahead with legal aid income at an all-time low: and the extensive needs of local people

arising from this situation with fewer local agencies able to provide assistance. Strong and accessible Law Centres are needed more than ever. LCN must step up to support them to respond to these challenges.

Consequently, LCN continues to work towards its longer term (10 years) vision for Law Centres and for LCN set in late 2019. This gives us a clear sense of direction and aspiration.

In the coming 10 years, we will ensure that:

1. The national network of Law Centres will have grown to at least 60 Centres;
2. All Law Centres will be resilient and secure with access to the latest technology and able to meet community needs and expectations;
3. Law Centres will be recognised as rights-based organisations that use the law as a tool for change;
4. LCN will remain at the heart of the network providing an increased range of support services to Law Centres and recognised nationally as the voice of Law Centres and a champion for access to justice and social change.

The Year Ahead - 2022/2023

Following a reconsideration of LCN's Theory of Change in 2021, and clarification of our strategic goals, in 2022-2023 LCN's objectives remain to:

1. Help Law Centres to thrive
2. Strengthen the network of Law Centres
3. Amplify the voice of Law Centres

We do this so that:

1. Law Centres are better able to meet the needs of their clients and respond to their communities
2. Law Centres can learn, act and grow together
3. LCN and Law Centres better champion rights and challenge injustice

At the 2022 AGM the new Theory of Change will be published. LCN will continue to review priorities each 6 months and set them with regard to the situation at the time but with the aim of achieving our longer term ambition.



Fundraising Practice

As for many charities, raising voluntary funds from trusts, foundations and individuals is a vital source of income for LCN, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

LCN believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. LCN is registered with the Fundraising Regulator.

LCN operates with a small internal fundraising team. In addition to this, we have engaged external consultants to assist us with our 50th Anniversary fundraising campaign. LCN does not, nor will not, engage in face-to-face or telephone fundraising. LCN has received no complaints about its fundraising activities either during the financial year or subsequently.

GDPR

LCN continues to monitor our compliance with GDPR. LCN's Privacy Policy, published on our website, clearly states what personal data LCN will hold in relation to supporters and how this data will be used. It also sets out how individuals can raise concerns or complaints. Reported above is work we are undertaking to ensure LCN adequately protects data that it collects and complies with GDPR requirements.

Financial review

The total net outgoing resources for LCN were (£169,509), (2021: incoming resources £145,770).

LCN had a small surplus on unrestricted funds of £5,833. Together with the accumulated surplus brought forward from previous years, the charitable company now has accumulated unrestricted funds of £312,134 (2021 £306,301).

Our main source of unrestricted funds continues to be from subscriptions from Law Centres and donations. This year there were no gifts in kind as meetings continue to be held on-line while the contribution to income in 2021: £5,062 as gifts-in-kind was generously provided by several law firms.

Restricted funds carried forward at 31 March 2022 amounted to £125,348 (2021: £300,690).

This is sufficient for the activities for which the funds were provided.

Reserves policy

The Executive Committee has considered the following factors when considering a reserves policy:

- the organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- the organisation's obligation to maintain a safe and clean working environment;
- that certain equipment is essential for our work;
- that an increasing proportion of the organisation's income is now derived from fixed term project grants; and
- the potential impact of the Covid-19 pandemic on future grants and donations.

The Executive Committee agreed that LCN should maintain unrestricted funds equal to six month's core service running costs. This amounts to £247,217. The current level of unrestricted reserves is £312,134 of which £62,253 is designated, at Balance Sheet date, leaving £249,881 in free reserves. This is sufficient for LCN to run for 6 months. Unrestricted cash balance on 31 March 2022 amounted to £285,575 which includes designated cash reserves. Therefore, free cash reserves at 31 March 2022 amounts to £223,322.

The level of unrestricted reserves and available cash is sufficient for LCN to meet its obligations to all staff (calculated at £105,351) should it cease trading. The Executive Committee believes 6 months reserves is prudent for LCN to hold given the current circumstances in the UK.

Going Concern

The Executive Committee at each of its meetings throughout 2021-2022 considered its financial position and whether LCN continued to be a going concern. The Finance Sub-Committee of the EC considered the Reserves policy, the risk assessment, how LCN manages its finances, its staffing requirements, its charitable objects, its strategic plan, its obligations to funders, the safeguards it has in place to protect against fraud, its leases and premises, our current banking arrangements, and checked that the free reserves available can cover LCN's liabilities should it

have to close. Importantly the Committee considered the current economic climate, and the impact of inflation and cost of living crisis. They asked whether LCN is robust enough to address unexpected situations? Finally they discussed the likelihood of the number of Law Centres increasing or decreasing in coming years and what impact that would have. It was noted that risk to LCN's reputation should also be considered given the effect that could have on LCN's ability to fundraise.

At its meeting on 11h July 2022, the Executive Committee considered whether LCN will be a going concern for the coming twelve months. The EC were provided with draft end of year accounts, Quarter 1 2022/2023 Management Accounts including the Balance Sheet, 3 year budget (2021-2024) with cash flow projections, Cease Trading calculations, Reserves calculations, LCN Risk Register, LCN Fundraising Strategy, Checklists 8 and 20 for completion, Charity Commission's *15 Questions Trustees Should Ask,* Guidance on *Charity Governance, Finance and Resilience,* and Guidance from the auditors. The EC added two additional considerations - LCN's ability to sustain and grow its membership and its cash position. The Executive Committee considered LCN's future funding 'pipeline' and the financial position of Law Centres as part of its judgement about 'going concern'. LCN secured 2 new multi-year grants in the first quarter of 2022-2023 and have submitted other applications for which they await response.

The Executive Committee then agreed that LCN is a going concern until at least the end of 2023.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Law Centres Federation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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; and
- 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.

Events since the end of the year

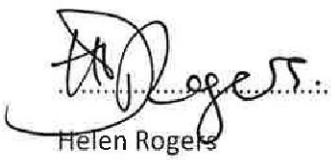
In the opinion of the Executive Committee no event since the balance sheet date significantly affects the company's financial position. However, the Executive Committee is continually monitoring LCN's current and future finances.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the Charity and its members, together with the review of Going Concern discussed above, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Independent Auditors

The auditors, Moore Kingston Smith, are deemed to have been appointed in accordance with section 485 of the Companies Act 2006 by virtue of an elective resolution passed by the members.

Approved by the Executive Committee on 10 October 2022 and signed on its behalf by:



Helen Rogers

Chair of Trustees

Law Centres Federation
Independent Auditor's Report
For the year ended 31 March 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAW CENTRES FEDERATION

Opinion

We have audited the financial statements of Law Centres Federation ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 the 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; and
- have been prepared in accordance with 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 the charitable company'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 there is 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 have 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 29, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charitable company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit report.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Law Centres Federation
Independent Auditor's Report
For the year ended 31 March 2022

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

James Saunders (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 28/11/2022
9 Appold Street
London
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Law Centres Federation

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

For the year ended 31 March 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Income and Endowments					
Donations	2a	-	159,847	**159,847**	288,277
Ministry of Justice Grant	2b	-	-	**-**	3,000,000
Charitable activities	2c	713,108	180,863	**893,971**	1,248,137
Investments		-	37	**37**	105
Other	2d	-	3,753	**3,753**	34,241
Total		**713,108**	**344,500**	**1,057,608**	**4,570,760**
Expenditure on:					
Raising funds		-	33,064	**33,064**	29,073
Ministry of Justice Grant	3c	-	-	**-**	3,000,037
Charitable activities	3	888,450	305,603	**1,194,053**	1,395,879
Total		**888,450**	**338,667**	**1,227,117**	**4,424,990**
Net income/(expenditure)		**(175,342)**	**5,833**	**(169,509)**	**145,770**
Net movement in funds	10	**(175,342)**	**5,833**	**(169,509)**	145,770
Reconciliation of funds:					
Total funds brought forward	10	300,690	306,301	**606,991**	461,221
Total funds carried forward		**125,348**	**312,134**	**437,482**	**606,991**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 39 to 49 form part of these financial statements.

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed Assets				
Tangible Fixed Assets	9	2,254		
			2,254	2,948
Current assets				
Debtors	7	**163,970**		164,415
Cash at bank and in hand		**410,923**		566,015
		574,893		**730,430**
Creditors: amounts falling due within one year	8	**(139,665)**		(126,387)
Net current assets			**435,228**	***604,043***
Net Assets			**437,482**	***606,991***
Funds	10			
Restricted funds				
In surplus			**125,348**	300,690
Unrestricted funds:				
General fund			**312,134**	306,301
of which designated			*62,253*	*145,000*
Total funds			**437,482**	**606,991**

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

Approved and authorised for distribution by the Executive Committee on 10 October 2022 and signed on its behalf by

Helen Rogers
Chair

Sean Canning
Treasurer

The notes on pages 39 to 49 form part of these financial statements.

Company no. 2433492

Law Centres Federation

Cash Flow Statement

As at 31 March 2022

	Note	2022	2021
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	15	(154,362)	318,964
Cash flows from investing activities:			
Interest income		37	105
Purchase of property, plant and equipment		(767)	(4,571)
Net cash provided by/(used in) investing activities		**(730)**	**(4,466)**
Change in cash and cash equivalents in the reporting period		(155,092)	314,498
Cash and cash equivalents at the beginning of the reporting period		**566,015**	**251,517**
Cash and cash equivalents at the end of the reporting period		**410,923**	**566,015**

Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand	38,818	37,009
Cash at bank	372,105	529,006
Total cash and cash equivalents	**410,923**	**566,015**

Analysis of changes in net debt	1 April 2021	Cash flows	30 March 2022
	£	£	£
Cash	566,015	(155,092)	410,924
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
Total	**566,015**	**(155,092)**	**410,924**

Notes to the financial statements

For the year ended 31 March 2022

1.1) Accounting policies

Basis of Preparation

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published on 16 July 2014. The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when there is entitlement, it is measurable and receipt is probable. Intangible income is recognised as a gift in kind where the provider of the service has incurred a financial cost and is valued at the value to the charity. Income is deferred when it relates to a specific later period, or there are conditions yet to be fulfilled for entitlement.

c) Subscription income from Law Centre members is recognised in the year in which it relates.

d) Gifts in Kind reflect the costs of rooms, catering and staff support from Law Firms and other suppliers to promote seminars, training and

e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

f) Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

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 is an estimate, based on staff time, of the amount attributable to each activity.

Direct service provision	91.7%
Cost of generating voluntary income	8.3%

Governance costs, which are included within support costs, include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

g) The costs of generating voluntary income relate to the costs incurred by the charity in raising funds for the charitable work.

h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value on a straight line basis over its expected useful life. The useful lives are as follows:

Computer equipment	4 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. During the period of their depreciation, assets are reviewed for impairment if circumstances indicated their carrying value may exceed their net realisable value and value in use.

i) 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.

j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

l) The charity operates a defined contribution auto-enrolment pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pensions costs represent contributions payable under the scheme for the payment of those contributions calculated at 8% of gross pay (7% employer contribution; 1% employee contribution).

1.2) Going concern basis

The Executive Committee at each of its meetings throughout 2021-2022 considered its financial position and whether LCN continued to be a going concern. At its meeting on 11h July 2022 it also considered each of the 15 questions and guidance provided by the Charity Commission in relation to 'going concern'. The EC added two additional considerations - LCN's ability to sustain and grow its membership and its cash position. The Executive Committee's Finance Sub-Committee monitored risk, LCN's future funding 'pipeline' and the financial position of Law Centres as part of its judgement about 'going concern'. LCN secured 2 new multi-year grants in the first quarter of 2022-2023 and have submitted other applications for which they await response. The EC agreed that LCN is a going concern for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3) Accounting estimates and judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.4) Staff Policies

The costs of short-term employee benefits are recognised as a liability and an expense.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

1.5) Financial Instruments

Basic Financial Instruments
The charity only holds basic financial instruments as defined by FRS 102.

a) **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b) **Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at the recoverable amount. Debtors and creditors that are receivable of payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2a. Donations

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Subscriptions from Law Centre members	-	83,800	**83,800**	82,000
Donations	-	76,047	**76,047**	206,277 **
	-	**159,847**	**159,847**	**288,277**

In the preceding year, all income from doantions was attributable to unrestricted funds.

2b. Extraordinary Grant

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Ministry of Justice	-	-	-	3,000,000
	-	-	-	**3,000,000** **

In the preceding year, extraordinary grant income was attributable to restricted funds.

2c. Charitable Activities

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
AB Charitable Trust	20,000	50,000	**70,000**	80,000
Allen & Overy Foundation	-	25,000	**25,000**	25,000
Bell Foundation	6,666	-	**6,666**	10,000
Comic Relief	62,876	-	**62,876**	-
Esmee Fairbairn Foundation	-	-	-	71,500
European Union Latin American Project	-	-	-	37,779
Freshfields	-	20,000	**20,000**	-
Home Office	-	-	-	365,919
IT - Digital Transformation (TNLCF)	170,000	-	**170,000**	149,750
IT National Project (TLEF)	279,401	-	**279,401**	-
National Lottery - Covid Emergency	-	-	-	205,000
Public Law/ Crisis Project	30,000	-	**30,000**	30,000
Paul Hamylyn Foundation		40,000	**40,000**	-
Philip King Charitable Trust	25,000	-	**25,000**	-
Sustainability (TLEF)	66,666	-	**66,666**	66,667
Three Guineas	-	-	-	100,000
TLEF - Covid Emergency	-	-	-	20,000
Trust for London Post Brexit	52,500	-	**52,500**	28,000
Training Fee /Services to LCs	-	37,050	**37,050**	35,956
Gifts in Kind	-	-	-	5,062
Annual conference	-	8,812	**8,812**	17,504
Total	**713,108**	**180,863**	**893,971**	**1,248,137**

In the preceeding year (ended 2021), £132,696 of total income from charitable activies were related to unrestricted funds and £1,115,441 attributable to restricted funds.

2d. Other income

	Restricted £	Unrestricted £	2021 Total £	2021 Total £
Sundry Income	-	3,753	3,753	9,216
IT Licensing	-	-	-	25,025
Total	-	3,753	3,753	34,241 **

In the preceding year (ended 2021), £6,152 of other income was attributable to unrestricted funds and £28,089 attributable to restricted funds.

Notes to the financial statements

For the year ended 31 March 2022

3. Total expenditure

		Raising Funds	Charitable Activities	Support Cost	2022	2021
		£	£	£	£	£
Staff costs	5	32,349	434,537	45,352	**512,238**	485,075
Staff Travel, Training, Recruitment & Meetings		715	3,461	7,147	**11,323**	7,505
Governance costs	3d	-	14,987	-	**14,987**	14,084
Premises costs		-	23,284	-	**23,284**	12,302
Office: Office costs, ICT, Insurance & Communications		-	4,867	8,477	**13,344**	21,332
Legal and Professional Fees		-	-	6,780	**6,780**	4,182
Services to Law Centres		-	75,071	-	**75,071**	80,289
Grants & Payments to Law Centres	3b	-	242,509	-	**242,509**	454,703
Ministry of Justice Grant & Payments	3c		-	-	-	3,000,037
Annual Conference & Events		-	10,802	-	**10,802**	29,962
Publication design & print		-	-	-	-	8,771
Subscriptions & Journals		-	9,651	-	**9,651**	3,503
Training and Course Costs		-	149	-	**149**	3,389
Website / Digital Development		-	8,700	-	**8,700**	12,057
Bad debts expense (Note 3c)		-	-	-	-	720
Gifts in kind		-	-	-	-	5,062
Other (Travel & Project Specific costs)		-	296,629	1,650	**298,279**	282,018
			-			
Total expenditure		**33,064**	**1,124,647**	**69,406**	**1,227,117**	4,424,990
Support Costs		4,383	65,023	(69,406)	-	-
Total expenditure		**37,447**	**1,189,670**	**-**	**1,227,117**	4,424,990

In the preceding year (ended 2021), £285,942 of expenditure was attributable to unrestricted funds and £4,139,048 attributable to restricted funds.

3a. Total expenditure (Comparison 2021)

	Raising Funds	Charitable Activities	Support Cost	2021	2020
	£	£	£	£	£
Staff costs	24,911	412,071	48,093	485,075	309,811
Staff Travel, Training, Recruitment & Meetings	-	7,505	-	7,505	11,339
Governance costs	-	14,084	-	14,084	17,927
Audit and other fees	-	-	-	-	-
Premises costs	-	12,302	-	12,302	16,901
Office: Office costs, ICT, Insurance & Communications	-	18,727	2,605	21,332	14,396
Legal and Professional Fees	-	-	4,182	4,182	53,596
Services to Law Centres	-	80,289	-	80,289	71,460
Grants & Payments to Law Centres	-	454,703	-	454,703	1,078,401
Ministry of Justice Grant & Payments	-	3,000,037	-	3,000,037	-
Annual Conference & Events	-	29,962	-	29,962	15,138
Publication design & print	-	8,771	-	8,771	672
Subscriptions & Journals	-	3,503	-	3,503	3,320
Training and Course Costs	-	3,389	-	3,389	10,628
Website / Digital Development	-	12,057	-	12,057	26,758
Bad debts expense (Note 3c)	-	720	-	720	15,182
Gifts in kind	-	5,062	-	5,062	11,035
Other (Travel & Project Specific costs)	-	282,017	-	282,017	
	24,911	4,345,199	54,880	4,424,990	11,037
Support Cost	4,569	50,311	(54,880)	-	-
Total expenditure	**29,480**	**4,395,510**	**-**	**4,424,990**	**1,679,502**

3b. Analysis of Grant Payments to Law Centres

	2022	2021
	£	£
Crisis Hub	39,000	21,000
Comic Relief - Digital Inno	37,550	-
EULAMP	-	38,585
EUSS	-	324,318
Guardian Appeal	-	2,000
Justice Fund - Money for LC	102,089	-
Law firm donations	-	25,000
North Wales steering Group	-	5,000
TNLF Covid	12,900	3,800
TFL-PostBrexit	20,000	6,000
Three Guineas	30,970	29,000
	242,509	454,703

3c. Analysis of Ministry of Justice Grant Payments to Law Centres

Ministry of Justice grant income of £3m was received in 2021. Grant payments shown below reflect amounts distributed in accordance with one-off funding received from the Ministry of Justice grant in the year ended 2021.

Organisation	2022	2021
	£	£
Bradford Law Centre	-	2,700
Bristol Law Centre	-	153,500
Cambridge House Law Centre	-	3,400
Camden Community Law Centre	-	75,000
Central England Law Centre	-	15,000
Cumbria Law Centre	-	80,000
Derbyshire Law Centre	-	111,800
Ealing Law Centre	-	4,000
Equality & Employment Law Centre	-	80,000
Gloucester Law Centre	-	93,700
Greater Manchester Law Centre	-	140,000
Hackney Law Centre	-	140,000
Hammersmith & Fulham Law Centre	-	13,800
Haringey Law Centre	-	32,500
Harrow Law Centre	-	155,000
Hillingdon Law Centre	-	64,300
Isle of Wight LC	-	61,900
Islington Law Centre	-	61,000
Kirklees Law Centre	-	10,000
Luton Law Centre	-	75,000
Merseyside Law Centre	-	120,000
Newcastle Law Centre	-	85,000
North Kensington Law Centre	-	85,000
Nottingham Law Centre	-	164,500
Paddington Law Centre	-	72,000
Plumstead Community Law Centre	-	32,500
Plumstead Community Law Centre	-	4,100
Public Interest Law Centre	-	50,000
South West London Law Centres	-	274,000
Southwark Law Centre	-	201,000
Speakeasy Law Centre	-	92,000
Suffolk Law Centre	-	88,000
The Derby Law Centre	-	60,000
Tower Hamlets Law Centre	-	100,000
Vauxhall Community Law Centre	-	60,000
Wiltshire Law Centre	-	79,300
	-	2,940,000
LCN Management and Support fees	-	60,037
	-	3,000,037

3d. Analysis of governance costs	2022	2021
	£	£
Annual Report	1,638	1,950
Audit	12,957	11,330
EC travel (reimbursed)	58	-
Governance meetings	334	804
Total governance costs	14,987	14,084

3e. Analysis of bad debt expense	2022	2021
	£	£
Debtor w/offs	-	720
Total bad debt expense	-	720

Notes to the financial statements

For the year ended 31 March 2022

4. Net (expenditure) / income for the year

This is stated after charging:	2022	2021
	£	£
Executive Committee's reimbursed expenses	58	-
Auditors' remuneration (excluding VAT):		
▪ Audit	10,975	10,210
Operating lease rentals:		
▪ property	7,680	8,480

Executive Committee expenses of £58 were incurred in 2021 - 2022 due to online meetings (£0 in 2020/21). None of the 23 members (17 members to Nov 2021; 17 members from Nov 21) of the committee serving during 2021-22 were remunerated.

5. Staff costs and numbers

Staff costs were as follows:	2022	2021
	£	£
Salaries and wages	439,399	417,335
Social security costs	41,595	38,642
Pension contributions	31,244	29,098
	512,238	485,075

5a. Staff costs by activities

	2022	2021
	£	£
Raising Funds	32,349	33,829
Charitable Activities	434,537	404,402
Support Cost	45,352	46,844
	512,238	485,075

One employee earned more than £60,000 during the year. Total pension contributions paid during the year in relation *(In 2021, one employee earned more than £60,000 during the year and received £4,328 in pension contributions).*

5b. Staff numbers by activities

The average monthly number of employees (full-time equivalent) during the year is as follows:

	Head count		Full Time Equivalent	
	2022	2021	2022	2021
	No.	No.	No.	No.
Cost of generating income	4	4	0.6	0.6
Support costs	5	7	1.1	1.2
Direct Service provision	17	13	8.9	10.1
Average Employee Numbers	13	12	10.5	12

Staff have been allocated to areas of work where they spend most time.

Key Management Personel

The Key Management of the Charity is considered to be the Director (FT), Finance Officer (0.5 FTE) (& Trustees). The total employee benefits of the key management personnel were £ 93,336.11 (2021: £102,712), which includes total employer NIC Contributions of £4,446.96 (net of 4k employment Allowance) and total employer pension contributions of £5,523.01.

Trustees are not renumerated but are reimbursed for travel and subsistence expenses incurred through attendance of

Notes to the financial statements

For the year ended 31 March 2022

6. Taxation

All income is charitable and applied for charitable purposes only and thus is exempt from corporation tax.

7. Debtors

	2022	2021
	£	£
Grants receivable	100,000	40,000
Prepayments	28,477	33,914
Conference fees	2,500	4,700
IT Licensing	4,680	14,859
Membership & Lexis Nexis	24,673	23,911
Other debtors	3,640	47,031
	163,970	164,415

8. Creditors: amounts due within 1 year

	2022	2021
	£	£
Trade creditors	87,546	69,344
Taxation and social security	1,748	12,316
Accruals	17,687	10,525
Pension contributions	3,175	3,175
Amount held on behalf of Law Centres	27,673	29,367
Other creditors	1,836	1,662
	139,665	126,389

9. Fixed assets

	Computer equipment	2022 Total
	£	£
Cost		
As at	15,070	15,070
Additio	767	767
As at 31 March 2022	15,837	15,837
Depreciation		
As at	12,122	12,122
Charge for the year	1,461	1,461
As at 31 March 2022	13,583	13,583
Net book value		
As at	2,948	2,948
As at 31 March 2022	2,254	2,254

10. Movements in funds

		At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
		£	£	£	£	£
Restricted funds:						
Development and support of Law Centres						
AB Charitable Trust (Income generation development)		1,396	-	1,396	-	-
AB Charitable Trust (Noth Wales Law Centre startup funds)		-	20,000	-	-	**20,000**
Bell Foundation		3,317	6,666	8,876	-	**1,107**
Comic Relief		-	62,877	62,877		-
Covid Support (TNLCF)	10b	99,757	-	84,757	(15,000)	-
Covid Support (TLEF)	10b	3,359	-	3,359	-	-
Esmee Fairbairn Foundation		29,739	-	29,739	-	-
IT - Digital Transformation (TNLCF)		62,697	169,999	148,695	-	**84,001**
IT - Digital Upgrade(TLEF)		-	279,400	268,987	-	**10,413**
Philip King Charitable Trust			25,000	16,303		**8,697**
Public Law Project	10c	9,000	30,000	54,000	15,000	-
Scoping Legal Support and Social Care with Social Finance (TLEF)		5,100	-	5,100	-	-
Sustainability (TLEF)		46,519	66,666	112,591	-	**594**
Three Guineas Trust		31,516	-	31,516	-	-
Trust for London Developing New Models		1,858	-	1,858	-	-
Trust for London Post Brexit		6,432	52,500	58,396	-	**536**
Total Restricted Funds		**300,690**	**713,108**	**888,450**	**-**	**125,348**
Unrestricted funds		306,301	344,500	338,667		312,134
		606,991	**1,057,608**	**1,227,117**	**-**	**437,482**
General fund ***						
of which General Funds		161,301	269,807	181,227		249,881
of which designated	10a	*145,000*	*74,693*	*157,440*	-	*62,253*
Total funds		**606,991**	**1,057,608**	**1,227,117**	**-**	**437,482**

** Resources include Bank Interest

Purposes of restricted funds

AB Charitable Trust - 5 year Core fund grant to LCN to increase capacity and extend the impact of LCN's work based on recommendations from the Strategic Review of LCN conducted in 2018.

Allen & Overy Foundation - 3 year Core fund grant to LCN to support service development work with Law Centres, with particular focus on exploring establishment and extension of services for women at risk of destitution – ends in June 2022.

Bell Foundation - Project lead by Harrow Law Centre to support victims of Crime, particularly those who speak languages other than English. LCN's role is to extend the learning from Harrow's project to other Law Centres with view to establish model in other parts of the UK.

Comic Relief: A collaborative project, which co-designed the 'front-end' of LCN's Enquiry Desk, working closely with GMLC, their partners and people affected by homelessness and housing insecurity, to better manage enquiries, ensuring distributed teams can keep track of an individual's enquiry across different channels and get people the assistance they need more quickly.

Esmee Fairbairn Foundation - 3 years funding for core costs to maintain capacity and delivery on LCN's policy objectives. This grant ended this year.

John Ellerman Foundation - 3 years core funds granted to support the development of Law Centres. The focus of this work is on Learning and transformation. Funds from this 3-year grant were carried forward into this year, they have now been expended.

Legal Education Foundation - National IT infrastructure project that will upgrade Law Centres ICT, titled Law Centres 2020 Digital Vision. The project is being implemented over 5 phases and will upgrade computers, migrate all software and data to cloud-based services. In 2020, most hardware provided changed to mobile equipment to ensure all Law Centres are able to provide services from any location.

£22,600 of this grant was for the development of a new Theory of Change and development of data model to report against the Theory of Change.

Legal Education Foundation in partnership with Social Finance: Pilot the inclusion of legal assistance in Social Finance's Health and Social Care platforms to identify how such a service could be implemented. The final activity in this project was completed in 2021.

Legal Education Foundation: Sustainability - 3 year grant awarded to LCN to assist it to implement recommendations made following its strategic review aimed at helping LCN become more sustainable. 2022 is the final year of the grant.

Paul Hamlyn Foundation – A core grant provided to work on influencing government departments and other public bodies on the future of a fair and effective justice system, particularly in response to the impact of changes arising from the Covid pandemic.

10. Movements in funds (continued)

Purposes of restricted funds (continued)

Philip King Charitable Trust – This grant was provided to support the development of the Ride for Justice fundraising event aimed at securing donations for Law Centres.

CRISIS / Public Law Project - In partnership with CRISIS, an exploratory project to test the provision of legal assistance, particularly in areas of welfare rights and immigration, to better address situation of people facing homelessness. 3 Law Centres were partners in this project. LCN also focused on learning about the impact of Covid on the legal needs of people who were homeless and particularly without access to digital assistance. This project has been completed.

The National Lottery Community Fund: Realising Law Centres 2020 Digital Vision - grant awarded to LCN to work together with Law Centres to explore and implement digital technology to assist them to achieve their mission. This grant will end in 2023.

The National Lottery Community Fund - Covid Emergency Fund awarded to LCN to do an intensive piece of work with Law Centres to understand the impact of Covid on the legal needs of people, to understand how to better assist people with no access to digital assistance, to understand the impact of the adaptions made at speed during the first 6 months of the Covid crisis, to learn what worked well, what adaptions should continue and how to work better within communities in response to crisis situations. Final activities completed early in 2021-2022.

Three Guineas Trust – Grant awarded to distribute to Law Centres to help them respond to the Covid 19 Pandemic. Grants were made to Law Centres to adapt their service provision to remote working during the first lockdown with approximately one third of the grant used to buy mobile computer equipment. A small portion of the grant was carried forward into 2021 but was distributed to Law Centres in April 2021 along with other donations received for Law Centres.

Trust for London: Post Brexit - analyse data collected over 5 years of LCN work with EU nationals and produce report and other learning from this to shape legal assistance for vulnerable EU nationals living in the UK. Grant includes funds to work with 2 partner Law Centres.

10a. Designated Unrestricted Funds

The designated funds at the start of the year was made up of £18,755 from the Ellerman Foundation to support learning and transformation in Law Centres, Covid Emergency donations of £12,900, as well as £113,345 of general donations to the Justice Fund in 2021. These funds were distributed to Law Centres in April 2022.The 2022 incoming designated funds were donations raised through the Big Give and from other donors throughout the year for distributed to Law Centres.

10b. Restricted Covid Emergency Support

Includes grant funding from the Ministry of Justice (£3million, plus £37 bank interest),The National Lottery Community Fund (£205,000) and The Legal Education Foundation (£20,000). The Ministry of Justice grant was expended in full in 2021. The carried forward funds from National Lottery Community Foundation and the LEF were expended in the first half of 2022.

10c. Restricted Funds Transfer

£15,000 was transferred from The National Lottery Community Fund to the Crisis Project to undertake a focused piece of work to learn more about the impact of Covid on the legal assistance needs of people who were homeless and to learn how best to respond, particularly with people who had no access to digital assistance. This was in line with the purpose for which the NLCF grant was provided.

10d. Comparative Information: Movements in funds for year ended 31 March 2021

	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
Restricted funds:					
Development and support of Law Centres					
AB Charitable Trust	-	30,000	28,603	-	1,397
Access to Justice	8,431	-	8,431	-	0
Bell Foundation	2,000	10,680	9,363	-	3,317
Covid Support (TNLCF)	-	205,000	105,243	-	99,757
Covid Support (TLEF)	-	20,000	16,641	-	3,359
Covid Support (Ministry of Justice) **	-	3,000,037	3,000,037	-	0
Esmee Fairbairn Foundation	26,893	71,500	68,653	-	29,740
European Union Latin American Project	(16,282)	40,843	48,035	23,475	0
Home Office *	-	366,065	366,065	-	0
IT - Digital Transformation (TNLCF)	43,264	149,750	130,317	-	62,697
IT - Digital Upgrade(TLEF)	172,055	25,025	197,080	-	0
PRE Brexit (Trust for London)	3,065	-	3,065	-	0
Public Law Project	-	30,000	21,000	-	9,000
Scoping Legal Support and Social Care with Social Finance (TLEF)	5,100	-	-	-	5,100
Sustainability (TLEF)	21,313	66,667	41,461	-	46,519
Three Guineas Trust	-	100,000	68,484	-	31,516
Trust for London Developing New Models	1,858	-	-	-	1,858
Trust for London Post Brexit	-	28,000	21,568	-	6,432
North Wales steering group	5,000	-	5,000	-	0
Total restricted funds	272,697	4,143,567	4,139,047	**23,475**	300,691
Unrestricted funds					
General fund ***	188,525	427,193	285,942	**(23,475)**	306,301
of which General Funds	125,813	235,958	200,470		161,300
of which designated	62,712	191,235	108,946	-	145,001
Total funds	**461,221**	**4,570,760**	**4,424,989**	-	**606,992**

* Resources include allocated Gifts in Kind

Notes to the financial statements

For the year ended 31 March 2022

11. Net Assets by Fund

	Unrestricted £	Restricted £	2022 Total £
Fixed Assets	2,254	-	2,254
Net current assets	309,879	125,348	435,226
	312,132	125,348	437,480

11a. Net Assets by Fund (2021 Comparison)

	Unrestricted £	Restricted £	2021 Total £
Fixed Assets	2,948	-	2,948
Net current assets	297,742	306,303	604,043
	300,689	306,302	606,991

12. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property 2022 £	2021 £
Within 1 year	9,486	4,240
1 - 2 years	-	-
2 - 5 years	-	-
	9,486	4,240

13. Related party transactions

Some members of LCN's board of trustees sit on the boards of community Law Centres that receive funds from

		2022
Derbyshire Law Centre	(Sharon Chandlers)	£18,000
South West london Law Centre	(Patrick Maples)	£12,527

14 Reconciliation of net income/expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure as per the statement of financial activities	**(169,509)**	**145,770**
Adjustments for:		
Depreciation charges	1,461	5,752
Investment income	(37)	(105)
(Increased) /decrease in debtors	445	384,559
Increase / (decrease) in creditors	13,278	(217,012)
Net cash provided by/(used in) operating activities	**(154,362)**	**318,964**

15. COMPARATIVE INFORMATION:Statement of financial activities (incorporating an income and expenditure account) for year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income and Endowments					
Donations	2a	-	288,277	**288,277**	111,335
Ministry of Justice Grant	2b	3,000,000	-	**3,000,000**	-
Charitable activities	2c	1,115,441	132,696	**1,248,137**	1,398,073
Investments		37	68	**105**	49
Other	2d	28,089	6,152	**34,241**	23,472
Total		**4,143,567**	**427,193**	**4,570,760**	**1,532,929**
Expenditure on:					
Raising funds		-	29,480	**29,480**	27,211
Ministry of Justice Grant	3b	3,000,037	-	**3,000,037**	-
Charitable activities	3a	1,139,011	256,462	**1,395,473**	1,652,290
Total		**4,139,048**	**285,942**	**4,424,990**	**1,679,501**
Net income/(expenditure)		**4,519**	**141,251**	**145,770**	**(146,572)**
Transfers between funds	11	23,475	(23,475)	-	-
Net movement in funds	11	**27,994**	**117,776**	**145,770**	**(146,572)**
Reconciliation of funds:					
Total funds brought forward	11	272,696	188,525	461,221	607,793
Total funds carried forward		**300,690**	**306,301**	**606,991**	**461,221**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other

LAW CENTRES FEDERATION

England & Wales - Charity number 1088588

Accounts

Company Number: **2433492**
Registered Charity Number: **1088588**

LAW CENTRES FEDERATION

(A company limited by guarantee)

ANNUAL REPORT

&

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Law Centres Federation
Annual Report
For the year ended 31 March 2021

Reference and Administrative Details for the year ended 31 March 2021

Company number 2433492

Charity number 1088588

Registered office and operational address
Floor 1, Tavis House
1-6 Tavistock Square
London
WC1H 9NA

Executive Officers
The following served on the executive Committee throughout the year:

From 1 April 2020 to 6 November 2020:
Chair: Helen Rogers
Vice Chair: Sally Causer
Vice Chair: Sue James
Treasurer: Sean Canning
Secretary: Elayne Hill

Committee Members:
Roger Berry
Simon Brown (until 5 October 2020)
Sharon Challands
Sara Chandler
Vicky Fewkes
Manuela Grayson
Peter Kandler
Muhammad Khan
Patrick Marples
Ursula O'Hare
Mary Prescott (until 5 October 2020)
David Slater
Linda Summers

From 6 November 2020 to 31 March 2021:
Chair: Helen Rogers
Vice Chair: Peter Kandler
Vice Chair: Ursula O'Hare
Treasurer: Sean Canning
Secretary: Elayne Hill

Committee Members:
Roger Berry
Sharon Challands
Sara Chandler (co-opted)
Claudia Estephane (co-opted)
Vicky Fewkes
Manuela Grayson
Sue James (co-opted from [date])
Ngaryan Higham (Li)
Patrick Marples
Pamela Robotham (co-opted)
David Slater
Linda Summers

On 31st March 2021 there were 2 elected vacancies on the committee.

The officers and committee members are all members of the Executive Committee.

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 40.

Members of the Executive Committee had no beneficial interest in the charity.

Bankers

The Cooperative Bank
Islington High Street
London
N1 9TR

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

Charity Bank Ltd
Fosse House
182 High Street
Tonbridge
TN9 1BE

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Report of the Executive Committee for the year ended 31 March 2021

The Executive Committee, which is also the Board of Directors of the charitable company for the purposes of the Companies Act, submit its annual report and financial statements of the Law Centres Federation for the year ended 31 March 2021. The Executive Committee confirms that the annual report and financial statements of the Law Centres Federation comply with current statutory requirements, the requirements of its governing document, as provided in its Memorandum and Articles of Association, and the provisions of Accounting and Reporting by Charities preparing their accounts in accordance with Accounting and Reporting by FRS 102 Charities SORP.

The reference and administrative details on page 1 form part of this report.

The Law Centres Federation trades as the Law Centres Network (LCN).

The Law Centres Federation is a registered charity and a company limited by guarantee. It is governed by the Memorandum and Articles of Association created in 1978 and last updated at the 2019 AGM. The company is registered at Companies House, registration number 2433492. The company is also a Registered Charity registration number 1088588.

Election of Directors/Trustees to the Executive Committee and ongoing Training

LCN is governed by an elected Executive Committee which has corporate and legal responsibility for all activities and functions of the organisation.

People are nominated prior to election, or re-election, by member Law Centres at the Annual General Meeting, in accordance with the Memorandum and Articles of Association of the Law Centres Federation. This provides for the election of 15 members: five officers, five representatives of member Law Centres' management committees and five employees of member Law Centres. Up to five additional Executive Committee members may be appointed by co-option.

The Law Centres Network is committed to ensuring that the membership of the Executive Committee reflects the diversity of its member Law Centres. It annually reviews its composition for diversity as well as the skills of its members to ensure that a balance is maintained of geographic, developmental, financial, legal and management skills across the Executive Committee to enable it to discharge its duties.

An induction event is offered to new Executive Committee members at the beginning of their term of office. All new Executive Committee members receive an induction pack that includes information about the Law Centres Network, and a briefing that outlines the roles and responsibilities of the Executive Committee as both company directors and charity trustees. Recent copies of minutes, management accounts and management reports, together with copies of the Memorandum and Articles of Association, are included in the induction pack.

Throughout the year, trustees are provided with updated information on changes to relevant legislation, their responsibilities as trustees, new guidance provided by the Charities Commission, or other relevant information that may assist them to carry out their duties as Trustees. We also provide training on relevant topics and invite speakers to the Board Meetings as part of our ongoing training for trustees.

Charity Governance Code

Trustees are aware of the Charity Governance Code published in 2017 that sets out the principles and recommended practice for good governance within the sector. LCN has reviewed its governance arrangements against the principles within the Code and believes that it is compliant whilst maintaining its need to operate its governance efficiently.

The charity purchased insurance costing £612.00 included in Support Costs, to protect it from loss arising from neglect or default of the Trustees Directors / Executive Committee members and to indemnify the Trustees against the consequences of neglect or default on their part.

Risk Management

The Executive Committee has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The system of internal controls is designed to provide assurance that the charity's funds are used in line with its charitable objects, for the purposes for which they were granted and for the public benefit. These controls include:

- A strategic plan and an annual budget approved by the Executive Committee.
- Regular oversight and consideration by the Executive Committee of financial information, variance from budgets and non-financial performance reports.
- Delegation of authority and segregation of duties.
- Identification and management of risk.

Overall responsibility for the Law Centres Network rests with the Executive Committee. Day-to-day management of the LCN has been devolved to the Director.

The LCN undertakes formal risk management reviews throughout the year. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways to mitigate the risks.

LCN identified the key risk in the coming three years as: the ongoing impact of Covid-19, both in terms of funding and the impact on the people whom Law Centres serve. It considered the impact of Covid in terms of increased demand; the impact of new court procedure on legal aid, and consequent reduction in income to Law Centres; and the potential for reduced funding for LCN.

Other key risks identified were: ability to maintain sufficient funding; loss of key personnel; and the loss of Law Centres as a result of Covid. The Trustees also consider the potential impact of a changing policy environment as a risk for both Law Centres and LCN. Mitigations were put in place for each of these risks.

The Executive Committee is pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.

Pay and remuneration of the charity's key management personnel

All LCN staff including key managers have their salary set against the NJC Pay Scales. New staff starting salary is set at the pay point which most closely matches their job description. Increases to the Award, which occur from time-to-time, are passed on to staff. The Human Resources Sub-Committee of the Executive Committee monitor salary policy and make changes as required.

Objects and Activities

The Law Centres Federation (LCN) is the national organisation that represents Law Centres. The term "Law Centre" is a registered trademark, available for use only by members of the Law Centres Federation.

The objects of the Law Centres Federation (LCN) are:

1. To relieve charitable need, in particular financial hardship, and in so doing provide assistance to Law Centres and encourage the formation of Law Centres in the United Kingdom
2. To advance the education of the public by assisting Law Centres in improving and diffusing knowledge of the law and the practice of the law and the administration of justice, having regard especially to those areas or the law which are of particular concern to poor people or are directed to the relief of poverty.

Law Centres are not-for-profit legal service providers, specialising in social welfare law (housing, immigration, employment, welfare benefits, mental health, community care, public law, etc) and related areas of law that affect people in their daily lives, particularly people who are vulnerable and/or economically disadvantaged. Without Law Centres hundreds of thousands of people would have no meaningful access to justice and could not resolve their problems so would be hindered from taking up opportunities.

To become a Law Centre an organisation needs to be vetted by the Law Centres Network, and then voted in by the current membership at a General Meeting. To enjoy the benefits of membership each Law Centre has to comply with membership regulations, including employing at least 2 lawyers and having an independent management committee drawn from the community it serves.

On 31 March 2021 there were 40 Law Centres operating that are members of the Law Centres Network. LCN also has 2 Affiliates. Affiliate status is intended specifically for collegiate law clinics, operated by law students under professional supervision, to ally themselves with Law Centres' work for access to justice and to suggest social welfare law as a career path to a new generation of legal professionals.

The Executive Committee secured resources to employ a Director with 11 staff to implement the organisation's strategic objectives in 2020-2021. These are reviewed and agreed each year so that LCN can achieve its vision and mission:

Law Centres Federation
Annual Report
For the year ended 31 March 2021

LCN's Vision - The Law Centres Network strives for a just and equal society where everyone's rights are valued, defended and protected.

LCN's Mission - We uphold justice for socially and economically disadvantaged members of society by supporting a national network of Law Centres that use their legal skills as a tool for change and their legal expertise to defend the rights of people in their communities. We represent Law Centres at all levels of government and national forums, we help centres to maximise their potential as sustainable organisations, we initiate new Law Centre services for particularly vulnerable groups, and we champion the Law Centre model. We are the collective voice of Law Centres.

LCN's Strategic Goals for 2020-2021

1. Law Centres are resilient and effective in a fast changing and complex environment with best practice effectively shared across the network
2. LCN is a resilient and effective national organisation that initiates strategic national projects.
3. Law Centres are recognised as rights-based organisations that use the law as a tool for change with LCN as their collective voice.

The Law Centres Network acts as a catalyst for activity across Law Centres, working on a national level to reveal injustice, analysing needs and root causes and advocating for change. LCN is uniquely placed to identify what has worked, collect evidence and share that learning across the network of Law Centres and then support other Law Centres to take up proven methods. It drives quality across Law Centres and enables local Law Centres to join together so they can design strategic national responses and exert influence, yet still be embedded in and driven by the needs in their local communities. In this way LCN achieves its charitable objects and its public benefit is produced.

Public Benefit

The Executive Committee (EC) considers that the activity undertaken to achieve its Vision and Mission are for the benefit of the public. The EC referred to the guidance contained in the Charity Commission's general guidance on public benefit including the guidance 'Public Benefit: Running a Charity (PB")' when reviewing its strategic objectives and setting the approach it will take as part of its annual planning process. The EC also reviews progress against the objectives and activity undertaken on a quarterly basis.

LCN's activities benefit the public in 3 ways:

1. Through direct service provision with activities such as the EUSS, and Post-Brexit Projects which assist EU nationals living in the U.K. to understand their rights and access the services to which they are entitled and to apply for Settled Status.
2. Through providing services to Law Centres that enable them to provide legal services to vulnerable and disadvantaged people in their communities with activities such as assisting with tender preparation and funding bids, training, governance support, facilitating effective collaboration and sharing of resources.
3. Through policy work that seeks to address the underlying causes of people's legal problems through strategic projects, through responding to consultations, participating in reviews, representing Law Centres with decision makers, and through working to extend the availability of free legal services for disadvantaged people.

LCN reports publicly on its activity and impact in its Annual Review available on our website: http://www.lawcentres.org.uk/policy/papers-and-publications and published with our annual return to the Charities Commission.

Throughout 2020-2021 LCN considered all its activities were for the benefit of the public and were guided by our strategic plan.

Impact 2020-2021

At the strategic planning session in February 2021, LCN staff and Executive Committee reviewed its progress alongside its review of LCN's impact. This is reported on below.

> *"I really don't know how to begin thanking you for the astounding work you did throughout the year, and then on the December conference. You've achieved some extraordinary things, and I think we'll see*

their impact during the course of next year. Essentially, I think we have paid lip service to the idea of a law centres 'movement' in the past, but this year you lot have somehow focused it into a reality. I couldn't be more proud or grateful."

2020/2021 Response to Covid-19

The 2019/ 2020 Trustees Report LCN described our initial response to the Covid-19 situation. Following is what happened next.

However, first we must thank our funders - The Legal Education Foundation, Esmee Fairbairn Foundation, AB Charitable Trust, and the National Lotteries Community Fund and our other funders who allowed us to divert funds from planned activity to responding to the crisis. Together they provided LCN with an additional £248,833 of flexible funds to enable us to provide the support that Law Centres needed.

In addition, others provided funds for LCN to use as emergency grants for Law Centres. We would like to thank Three Guineas Trust, The Law Society, and several Law Firms who contributed to *The Justice Fund.* These funds were vital. Once we saw that lockdown would not be over in a matter of weeks, and that temporary work arounds would not do, the funds enabled Law Centres to purchase equipment needed for remote working and social distancing, provide cashflow as legal aid payments reduced, assist with communication to service users, engage external consultants to provide individual planning assistance, among other responses.

As a result, **not one Law Centre closed**, when we had predicted in April that 50% were at risk.

LCN also realised that because the changes happened so quickly, we needed to reflect on what had happened, be deliberative about how we move forward, and to think carefully about the support we provide to Law Centres going forward.

And so we asked **- What have we learnt and how should we respond?** We asked:

- what must be done in person?
- what happened to the people we would have expected to be in contact and to local organisations?
- what new ways of working do we want to continue?
- what have we lost that we must find again?
- how will we keep learning?

This lead to the *Adaption after Covid* 6-month project funded by The National Lotteries Community Fund. The project focused on the workstreams below and was accompanied by a learning partner.

- New ways of working / service design / operations support
- Community Engagement
- Peer learning and support
- Management support and financial planning

In addition to supporting Law Centres to manage the crisis, LCN identified and responded to systemic and policy issues as they were arising. We engaged in discussions directly with Ministry of Justice, the Legal Aid Agency, the Home Office, Greater London Authority, HM Courts and Tribunal Service, and there was a particular focus on homelessness and the Housing Possessions Court Duty Scheme. We were in continual dialogue with our partner organisations, sharing experiences, resources and ideas. It was a moment when our shared purpose was clear and so we were able to try new things and come together in new ways. Some of this has stopped now but LCN hopes that the best of it will continue.

Progress against LCN's Strategic Goals for 2020-2021

Strategic Goal 1

Law Centres are resilient and effective in a fast changing and complex environment with best practice effectively shared across the network.

2020/2021 priorities

1. Service adaption and other Law Centre support

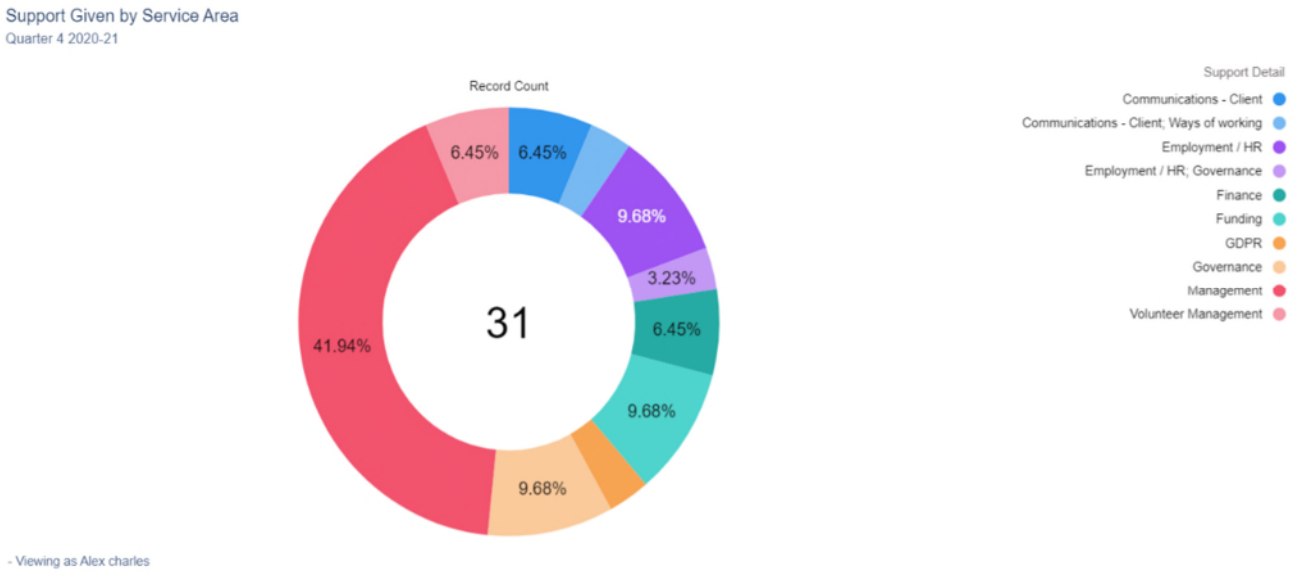
The extent of individual support required by Law Centres in 2020/2021 has forced us to think again about how to better provide individual support. We have found that no amount of early action can remove the need for immediate support in times like these. But there was so much help needed that we have had to learn how to provide bespoke support smarter, and this is what we are working on now.

By end of March 2021 we have put in place new ways of working together, we have developed new tools that will facilitate ongoing learning and sharing of resources, we have developed a better understanding of how to incrementally effect change across the network of Law Centres, and so these initiatives together will allow us (LCN and Law Centres) to continue to reflect, improve, grow, and better respond to those we serve.

Over 2020/2021, LCN

- Provided regular operational guidance to help Law Centres deliver Covid-safe services and that would support CEO to effectively manage their Law Centre
- Provided 130 specific Guidances on topics such as: Employment and HR, Risk Assessment on Working from Home, the Furlough scheme, vaccine hesitancy amongst staff, etc
- Provided workshops, resources and individual support on service re-design and principles
- Provide weekly Support and facilitated peer learning to ensure that Law Centres could adapt their service provision to meet community needs, while retaining a focus on staff welfare and wellbeing
- Facilitated virtual 1:1 meetings with Law Centres to better understand their needs and how we might support them
- Assisted 29 Law Centres on an individual basis to review their financial situation and help with financial planning
- Provided direct operational, strategic and governance support to Law Centres most at risk or experiencing short-term crises
- Ran workshops and offered individual support on performance management, remote supervision, quality and compliance, strategic planning, financial planning, and income generation
- Liaised with the Court and Tribunal service ensuring remote hearings work for Law Centre clients
- Jointly considered ways to address the loss / lack of other (non-statutory) services, particularly those required to support clients e.g. Support Worker services inc. advocacy, pre-legal steps (making claims, initial challenges etc.), short-term financial support, access to food, help registering for healthcare / navigating making appointments etc. One such response was a joint project with *Crisis* which continues.

The following graph indicates the variety of assistance we provided to Law Centres:

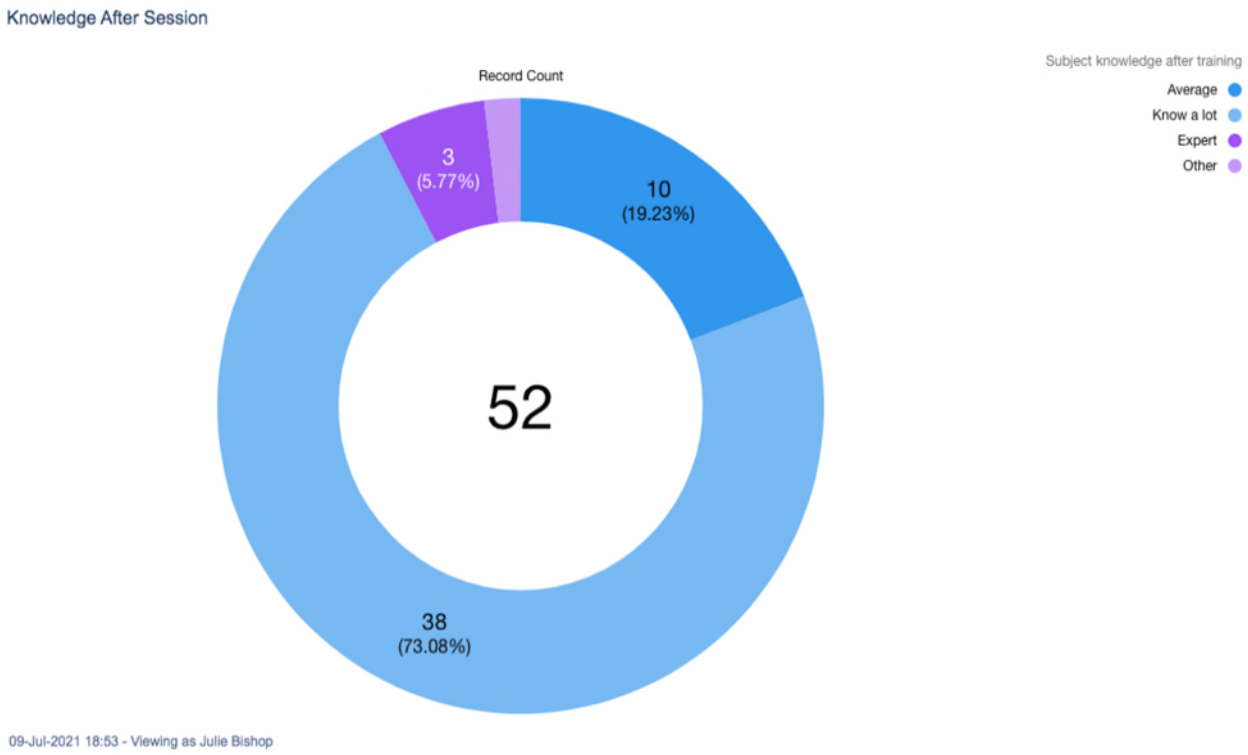


2. Community Engagement funded by the National Lotteries Community Fund - Covid Grant

As the pandemic took hold, we noted the impact of the loss of those small local groups who are the first point of contact for many Law Centre clients. We realised that Law Centres were juggling so much that they needed help to rebuild these connections. With funding from the Lotteries we recruited two short-term Community Engagement officers to develop a program of support. The "Working Brilliantly with Communities" was a series of virtual workshops and training sessions. These were hugely popular, with 161 staff attending across 19 sessions, representing over 80% of Law Centres. One of the strengths of the project was that people at all levels of law centres participated – enabling caseworkers who might not generally have a chance to consider how their work contributes to the Law Centre at a structural level, to consider how they can contribute to community engagement.

The sessions were complemented by bespoke support to 8 Law Centres that included facilitating community consultations, developing community engagement strategies and sessions to develop better partnerships with local agencies. All sessions and materials have been 'captured', are hosted on the *Platform* and are available for ongoing use by Law Centres. We plan to build on this foundational work in 2021.

Based on the feedback we gained from those delegates 95% of participants rated the sessions either good, very good or excellent (with 43% rating excellent) and 71% of participants said that the sessions 'absolutely' met their expectations. Perhaps most importantly though when asked 'what was the relevance of the training to your work?' 80% of delegates replied 'essential'.



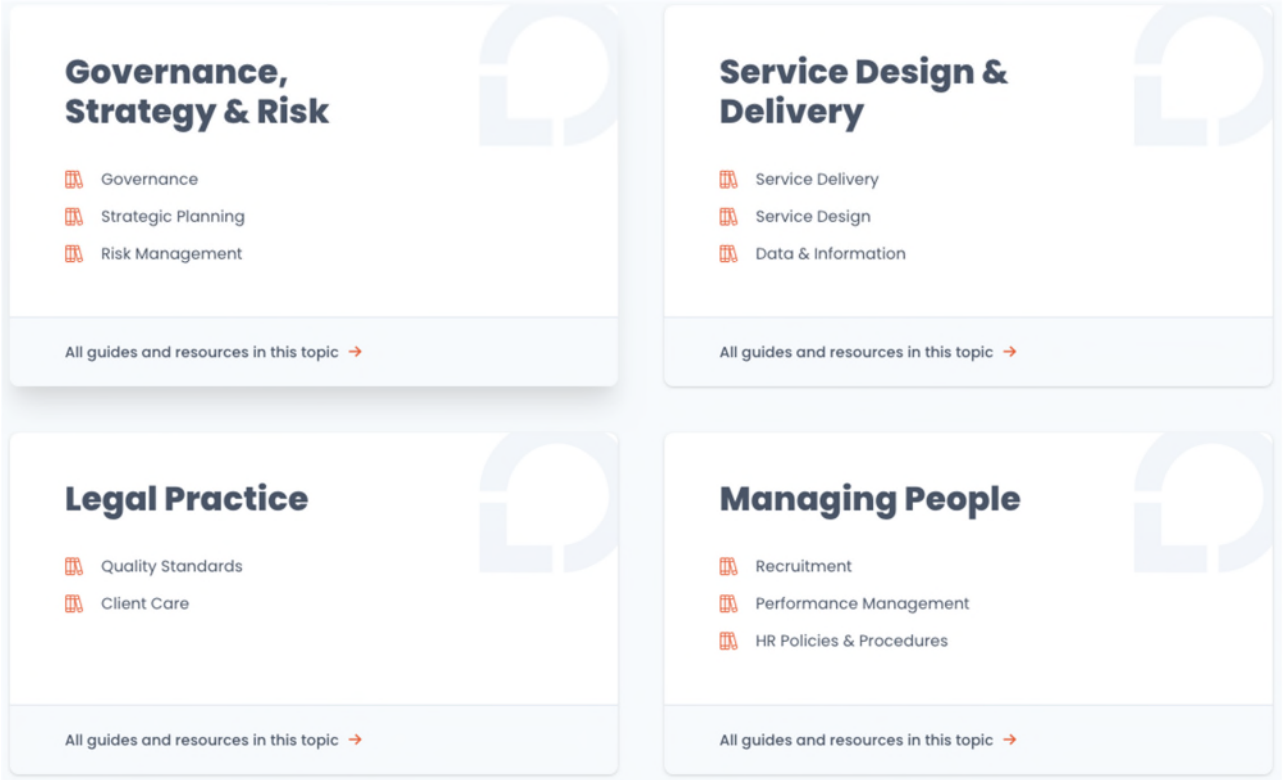
"I will utilise this [training] in an upcoming grant application for work from July 2021 onwards (hopefully) to build a project with client involvement at its core and start putting ideas into practice now"

3. Law Centre in a Box project funded by AB Charitable Trust

LCN identified in 2019 that we needed a way to provide a base level infrastructure to all Law Centres as way to ensure a baseline level of infrastructure, policies and as a means to nudge better practice. We realised that a basic set of affordable resources such as office policies, legal library, training / learning resources, and digital hardware and software, would make the creation of new Law Centres easier, ensure baseline quality from the beginning. The digital team, as part of their Digital Transformation work, built the Law Centre platform, in part to host *The Box.*

The Box already contains over 200 guides, tools, and resources to ensure the quality of new Law Centres and the strengthening of existing Law Centres. It will get bigger as we gather new insights into what we need to put in there and develop new resources.

The screen shot below shows a sample of *Box* resources:



4. Raise the Game - Funded by John Ellerman Foundation

During this period, LCN delivered 49 events, workshops and training sessions to more than 500 staff and volunteers in 40 Law Centres.

In addition to group learning opportunities on a specific day, we identified the need to develop more options for 'asynchronous learning'. On a basic level, this has meant improving our ability to record and publish training. We are working on new ways for Law Centre staff to navigate these resources, so that they are able to learn and answer questions quickly as they encounter issues rather than wait for a course or time to watch a webinar.

We have identified peer learning as a key 'nudge' to behaviour change and consequently, we continue to develop new peer learning opportunities. An example is the introduction of lunchtime *Innovation and Learning* sessions, which are monthly workshops (both recorded and live) presented by Law Centre staff and volunteers highlighting unique projects or new approaches to their work. Resources are then shared via the *Law Centre platform* (discussed below).

The following graph shows the extent of engagement in training and learning activities over the year:



5. Income Generation / Fundraising

LCN Secured £4,282,927 for Law Centres during £2020/2021, £3m of which was a grant from Ministry of Justice as part of their Covid response. In addition, we assisted Law Centres to secure an additional £1,010,700 in grants from the Community Justice Fund for Law Centres.

£332,227 was raised in donations and grants from Law Firms, and charitable trusts and foundations in response to the Covid Crisis. Barrister, Adam Wagner, alone raised over £30,000 for Law Centres. We thank him sincerely, as we do all our generous donors.

6. Digital transformation - IT Upgrade and other initiatives - funded by The National Lotteries Digital fund and by The Legal Education Foundation

The **National IT Upgrade Project,** funded by Legal Education Foundation, has been running since 2015 and is now in it's fourth Phase. Phase 3 was completed in 2020 / 2021. It forms part of LCN's wider Digital Transformation initiative to enable Law Centres to embrace digital solutions where relevant, to improve ways of working and improve the experience of clients accessing Law Centre services. It focuses on Digital Infrastructure and facilitating improved ways of working through adoption of cloud technologies and collaborative tools like Office 365. This involves an audit of existing infrastructure, replacing or updating old or antiquated infrastructure and systems (laptops, servers, equipment, telephone etc.), provision of mobile equipment including laptops, support to move emails and files into the cloud, as well as training and support to make the most of Office 365.

Because if this project, LCN had the staff, expertise and systems in place to support Law Centres to successfully transfer to remote working in 2020, to continue to help them to develop new ways of working and to facilitate their continued service to their communities in unprecedented circumstances.

By 31 March 2021:

- LCN has successfully upgraded Law Centres in 25 locations and 532 users over Phase 1, 2 and 3 of the IT upgrade project
- In 2020 /2021, 8 Law Centres and 233 users were migrated to O365. 150 laptops and associated equipment was provided.
- As part of Phase 4, LCN is currently working with another 9 Law Centres.

In addition

- 12 high risk servers have been retired and removed
- Disaster recovery strategy has been developed, which has been timely in 4 Law Centres
- Business continuity assured thanks to Microsoft Cloud deployment
- Security and safety of data provided: GDPR compliance achieved as a result and specified GDPR training provided as well as on-going GDPR support for the centres provided
- Regular monitoring of security both in the Cloud and with on premises systems ensuring best continuous protection, in particular anti-virus and anti-hack
- Estimated time saved of 15 minutes per user per day thanks to faster computers, removal of servers, and accessibility of information from any internet enabled location.
- Across the network this is a productivity improvement of 133 hours per day or the equivalent of 9 full-time staff

"This has been a fantastic opportunity for our Law Centre. We had been working with old, unreliable equipment. This has enabled us to not only benefit from new equipment but also benefit from upgraded software with much more functionality than we had before, thus increasing overall efficiency and effectiveness. It has allowed us to implement new working practices that were never possible before and which has increased the connectivity between staff during these difficult times. The impact of COVID has been hugely reduced as we were able to move to remote working almost instantly with no impact to service delivery. Well done to the whole LCN team and Adrian for their help and support on this." LCNI

The objectives of the **Digital Transformation Project** funded by The National Lotteries Digital Fund are:

1. Help-seekers have a better experience
2. Law Centres can work more easily
3. LCN works more effectively (including Law Centre networking / collaboration)

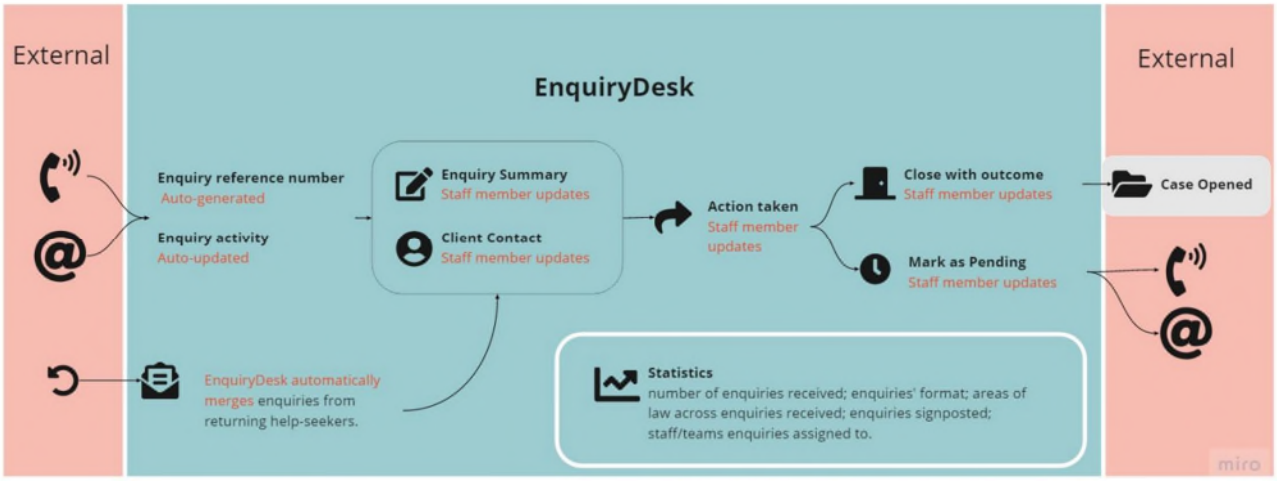
To achieve this, we have four workstreams:

1. Understand the needs of Law Centre staff and help-seekers
    - Since 1 Apr 2020, we have tested products with 53 members[1]
    - Since 1 Apr 2020, we have conducted 23 interviews with external stakeholder (including 16 help-seekers)
    - We have generated 203 notes, which has resulted in 100s of new features

2. Equip Law Centres to become resilient and future-proof
    - Digital Project engagement
    - 205 attendees to Events & Training relating to Digital

3. Enable a common approach to digital innovation to be adopted across the Network.
    - Developed a basic Design System
    - Provided specialist advice to several Law Centres as to their digital strategy and service design (e.g. LCNI, SWLLC)

4. Respond to the needs of Law Centres and their communities strategically.
    - We have supported 9 Initiatives focused on supporting Law Centres (enquiry management, back-office management, practice management, etc)
    - Back-office: we have engaged 3 Law Centres to take part in the back-office project (Human Resources and Volunteer Management, Fundraising etc)
    - Demand Management: EnquiryDesk is being developed to assist Law Centres to better manage enquiries made through any channel - Phone, SMS, Whats App, email, in person. We have run 4 pilots with Law Centres and continue to develop the product.



Strategic Goal 2

LCN is a resilient and effective national organisation that initiates strategic national projects

2020/2021 priorities

1. A stronger network of Law Centres

New Law Centres
LCN continues to receive enquiries from organisations and individuals wishing to set up a new Law Centre. It usually takes about one year for an existing organisation to become a Law Centre but if they are starting up, it can take up to 5 years to raise the funds and build the necessary infrastructure to establish an organisation that will meet our minimum requirements. It is also envisaged that the *Box* project, discussed above, will not only be a resource for existing Law Centres but will facilitate the establishment of new Law Centres providing them with a basic set of tools, policies and other resources to get going.

In 2020/2021 LCN was engaged with 8 potential new Law Centres:

Law Centres Federation
Annual Report
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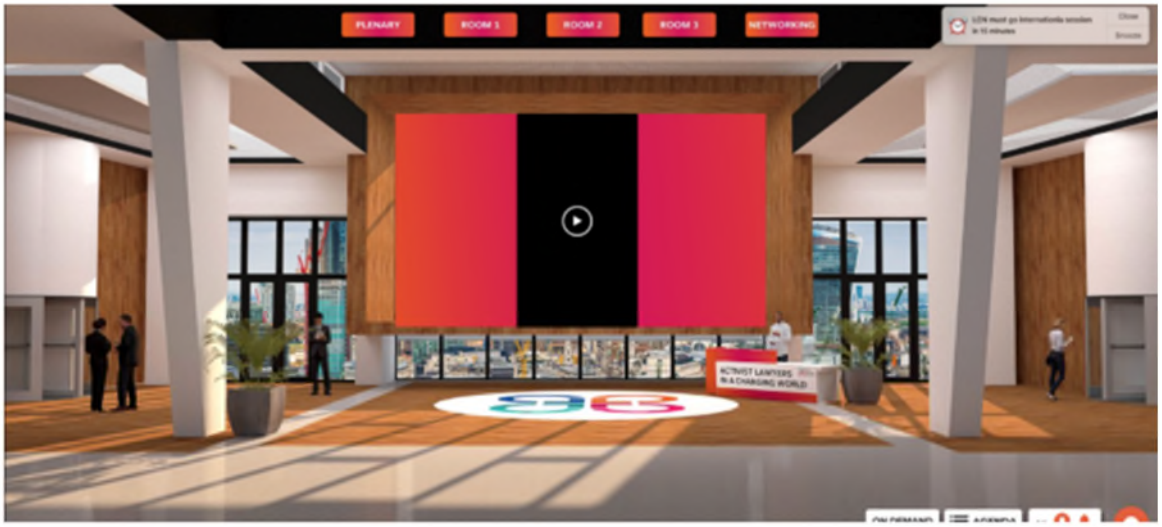
Law Centres together
The strength of LCN is dependent on the extent of engagement across our membership. The impact of Covid resulted in Law Centres coming together to collaborate and support each other through the crisis. The move to remote working showed LCN that we could bring staff together across the country in new groupings and more regularly than had been possible when we thought the best way was in person. Throughout 2020 we established and have continued weekly meetings of Law Centre managers, and regular catch-ups staff in other roles across Law Centres such as Finance workers, communications officers, Chairs, Administrators, etc. We have also established communities of practice across each of our main areas of law - housing, immigration and asylum (and EUSS), employment and discrimination, welfare benefits, etc. Together lawyers across the network support each other, exchange experience and jointly solve problems.

Over the year, every Law Centre engaged with at least one activity as table below shows.



"I have been more involved in the network this last year than I have ever been during my 11 years at the Law Centre."
"We would not have survived this past year if we were not part of the network"

2020 Annual Conference
The 2020 Law Centre Annual Conference took place in December, the week before Christmas. It was an online event, titled, *Activist Lawyers in a Changing World*. There were 4 plenaries, 24 workshops, social events, wellbeing sessions, online networking, over 4 days and evenings, with almost 400 participants during the conference and twice as many views of the sessions following the conference.



Activist Lawyers, Virtual Conferences and Setting a High Bar

December 17, 2020 ODR Roger Smith

"The conference has, indeed, been so good that it becomes a statement in its own right. And what it says is that law centres are significant players in the delivery of legal services in England and Wales; they have access to the imagination and funds to produce a swanky conference; and that their work intersects with significant other players both national and international. The conference had time to explore both work that law centres were doing – human rights, immigration, housing, anti-racism. employment. welfare benefits, debt – as well as how they were doing them." Roger Smith

2. Improved collaboration amongst Law Centres - Digital Platform development

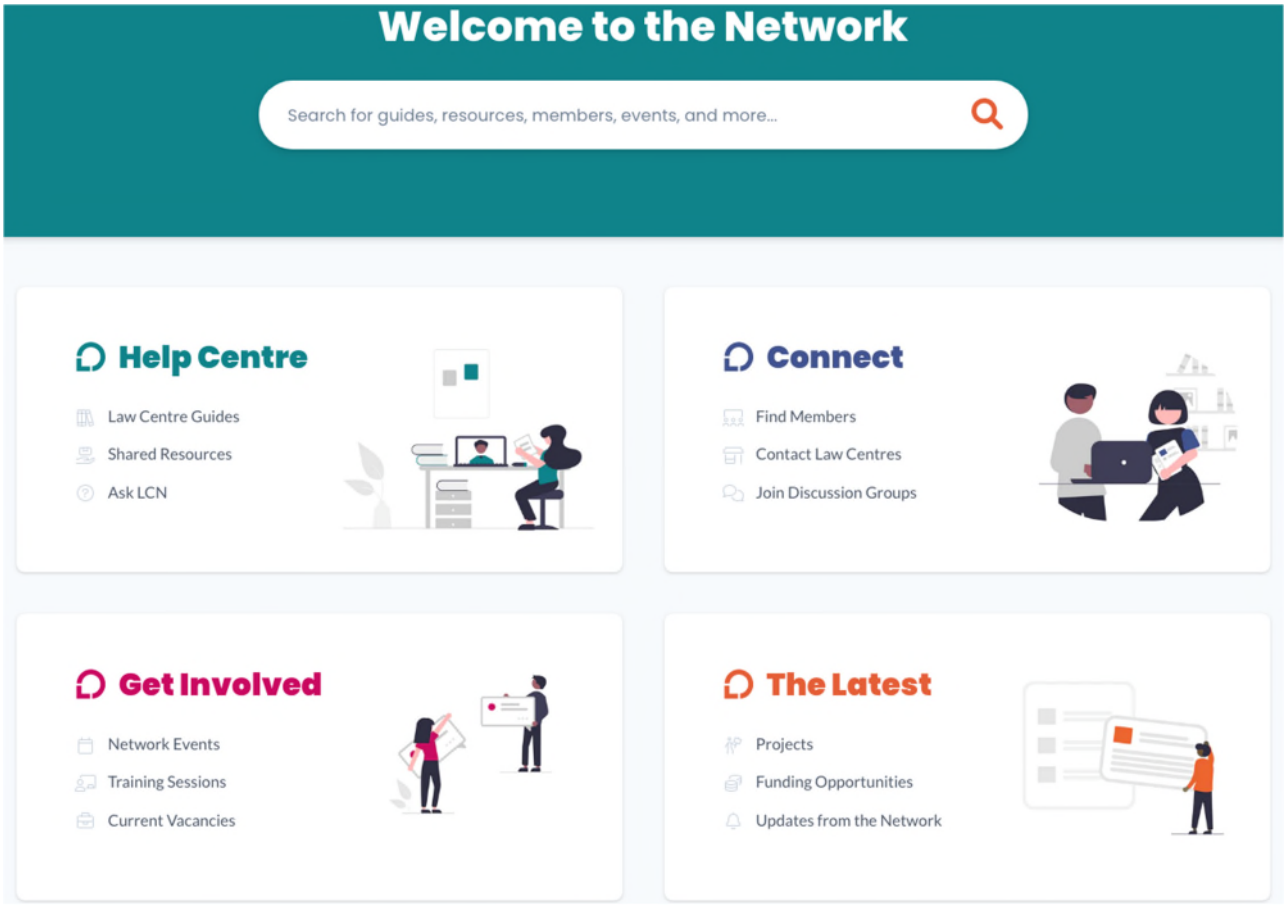
In addition to bringing Law Centres together as discussed above, we have built a digital tool, the ***Platform***, to facilitate this exchange across the network, to capture learning, to share ideas and events (such as the 2020 Conference), and to store resources for future use.

The objectives for Platform Development are:

1. Usable: Members find what they're looking for and it's easy to use
   "The Platform looks really good, really helpful, really easy to use."
2. Useful: Members get value from the Platform
   " new platform looks great! Think it will be really useful. Really love the funding opportunity section."
3. Members feel part of a wider community
   "Really handy to have other law centre contacts with descriptions of roles and contact details."

Following the end of the financial year, within the first month of the Platform's release (8 Jun – 7 Jul 2021):

- 223 New Users; 236 Users[3]
- 29 members have listed themselves on the Directory
- Members have visited 21 Guides



3. Develop and implement strategic national and regional projects

Increasing EUSS Access among EU Londoners funded by Trust for London
The aims of this project are:

- To analyse and interrogate LCN's data collected while working on previous EU Citizen related projects
- Service-provision for vulnerable EU Citizens in collaboration with 2 London Law Centres
- Advocacy and systemic change

LCN is working with two external research consultants to analyse casework data collected through four previous projects on EU Citizens:

- Living Rights Project, which provided non-EUSS advice;
- EUSS Complex Cases Project, which focused on EUSS advice;
- EU-Latin Americans Mobile and Participating (EULAMP); and
- Protecting the Rights of EEA nationals in the wake of Brexit (PRE-Brexit) projects with EUSS advice

The research team is investigating demographic profiles and casework patterns, with particular attention to any vulnerability characteristics emerging from the data. We are working with Tower Hamlets Law Centre and Harrow Law Centre to offer training opportunities to London Local Authorities on their duties to residents in their care, second-tier advice, and direct complex case client advice.
The first report from the project was published in July 2021.

Victims of Crime Project funded by the Bell Foundation
For people whose first language is not English, reporting a crime and navigating the justice system can be confusing at best and impossible at worst. A lack of police guidance on how to handle such cases, legal jargon and a lack of interpreters can pose severe barriers to accessing justice.

Together with Harrow Law Centre, this project seeks to address barriers in access to justice and services for victims of crime whose first language is not English. The London borough of Harrow is one of the most diverse in the country and most of its residents were born outside the UK.

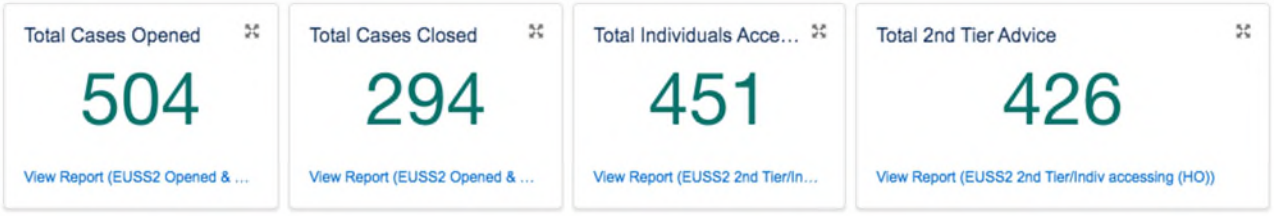
We are working with Harrow Law Centre to establish and document a successful model for supporting victims who have English as a second language. Our proof of concept will be disseminated to other civil society organisations that support victims and to policy makers.

This year we have:

- Conducted research to identify lessons and good practice on sustainable victim care and practical support
- Work with other Law Centres to replicate the model with Greater Manchester Law Centre having been funded to do so.
- Successfully organised a roundtable event with key stakeholders that reviewed recommendations for change, brought people and organisations together (including those of other grantees) and to agree policy responses and future activity.

EUSS project to support vulnerable EU citizens apply for Settled Status funded by Home Office
The EUSS grant from the Home Office was extended for further 6 months. £182,960 was distributed to 16 Law Centres partners to provide practical support to vulnerable EU Citizens and their family members ("Citizens") to help them make their EU Settlement Scheme application.

In 2020/2021, Law Centre partners provided:



At the end of the LCN managed project, 1864 people supported to apply to EUSS scheme over the 18 month project and 1,233 instances of expert assistance was provided to organisations. LCN also supported individual Law Centres to apply for new EUSS grants and to transition from the LCN partnership. Law Centres secured over £500,000 in new grants and will continue their work to support vulnerable EU citizens to apply to EUSS in new partnerships.

4. Promote the 50th anniversary of Law Centres

Lockdowns and impact of the Covid Pandemic have delayed planned in-person 50th Anniversary events. A Cycle event *The Ride for Justice* is planned for later in 2021. However, much work continued on the 50th anniversary campaign titled *Make Law For All.* The *Justice Fund*, established to receive donations, raised over £100,000 from Law Firms (now distributed to Law Centres) in response to the first lockdown.



History of the Law Centres movement - Enhancing Democratic Habits
In association with Law Centres 50th Anniversary, the Centre for Socio-Legal Studies at the University of Oxford has been awarded a research council grant for a history project on the Law Centres movement, with LCN as a project partner. It sets out to capture an oral history of the Law Centres movement as well as its material history through its publications. In this way, it aims to capture in-depth accounts of radical lawyering in Law Centres and how they address problems arising from the UK's inequalities and democratic deficit.
It will do so in two stages:

- Collecting copies of Law Centre annual reports and other publications which will be deposited in the British Library to form a new national collection
- Conducting interviews with 65 people who have played important roles in the movement over the years

The 3 year project has been warmly welcomed by Law Centres with many more than the proposed 65 interviews having taken place. It will be further reported on in coming years.

5. Strengthen LCN itself

Part of the work of the digital transformation project has been to explore how to improve LCN's own systems. The development of the *Platform* is a more efficient mode for LCN to distribute resources, provide updates, manage groups within the network etc. The LCN Website is being redeveloped in tandem with this work. (see below). Importantly, our work on determining what data LCN needs to better fulfill its purpose has lead us to undertake a project focusing on LCN's data, funded by the Legal Education Foundation. Our dive into data has lead us to develop a new Theory of Change for LCN. This will be published later in 2021. LCN has also been exploring how to work more effectively together as a team, and more particularly as a hybrid team, now that almost half of our staff is outside London.

Strategic Goal 3

Law Centres are recognised as rights-based organisations that use the law as a tool for change, with LCN as their collective voice

1. Policy funded by Esmee Fairbairn Foundation

This year's shift of LCN operations to an emergency footing has included our policy and advocacy work. Our initial priority was to preserve Law Centres' services for their clients. Subsequently, our focus shifted to equipping Law Centres to prepare and respond to frequent changes in public guidance and provisions. This has entailed considerable time liaising with the relevant public agencies that affect this. Notable activity and achievements in this period include:

- **Securing emergency resource** for Law Centres and access to justice: we made the case for additional public funding to address surging need during the pandemic. This led to a government grant of £3m being awarded to Law Centres via LCN, and a share of a further £2.4m awarded for specialist advice organisations through the Community Justice Fund.

- **Direct advocacy**:
  - We have been informing and influencing public policy through written and oral evidence to Parliament's Justice Committee (on Covid-19 impact on the advice sector) and the All-Party Group on Legal Aid (on legal aid sustainability); as well as submissions to the Independent Review of Administrative Law (on Judicial Review) and Social Security Advisory Committee (on Universal Credit Covid-19 mitigations).
  - We have also made extensive contributions to policy development work in key areas for Law Centres, including civil legal aid sustainability and the legal aid means test review, as well as more detailed input on a review of Exceptional Case Funding, digital development, Assisted Digital Support for litigants and the Legal Support Action Plan.

- **Indirect advocacy**: we contributed to a variety of academic and applied research projects and influence their recommendations and agendas. These have included the Civil Justice Council's rapid review of court adaptations; Paul Hamlyn Foundation's report on increasing capacity of immigration advice (informing Justice Together Initiative funding); Nuffield Foundation's new justice research priorities; Human Rights Watch's research into bias in Universal Credit decision making; and several others.

- **Court reform**: weekly liaisons with HM Courts and Tribunals Service and the Ministry of Justice monitoring Covid-19 arrangements with adverse effects. We later helped HMCTS anticipate and adapt to new trends as courts reopened, which it regarded as "exceptionally helpful". Later still, in our involvement in the Master of the Rolls Working Group on Possession Proceedings, we pushed for better tenant access to emergency advice to prevent eviction.

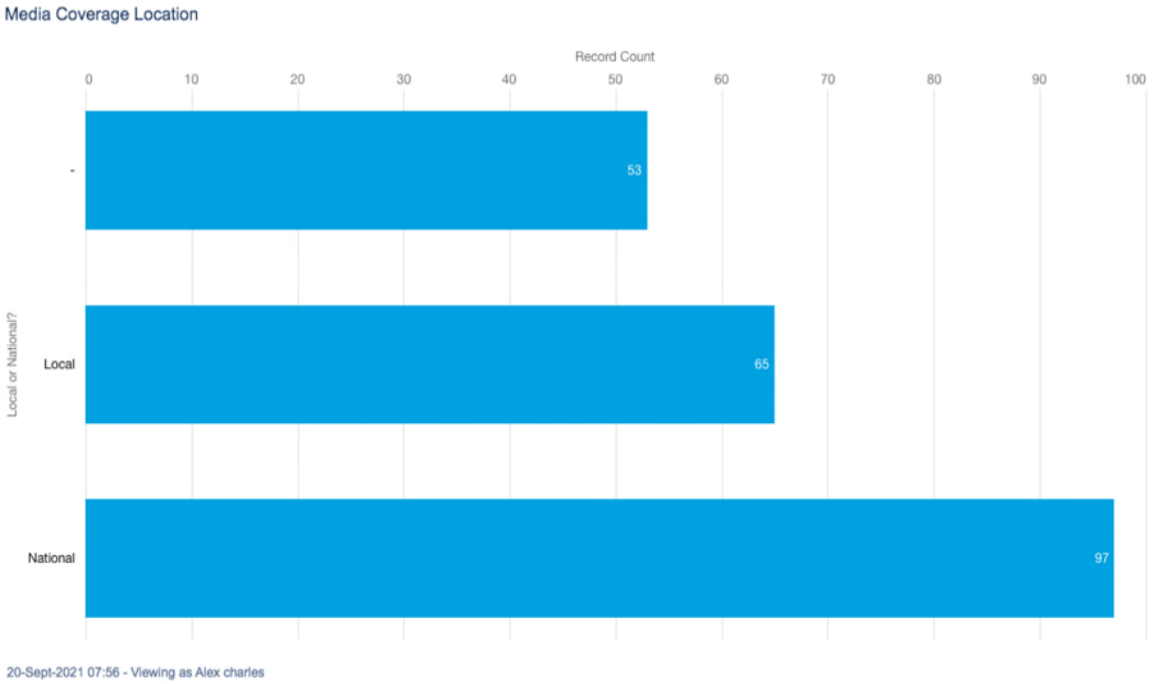
- **Public campaigning**: we have been vocal on a variety of pandemic-related issues affecting Law Centre clients: temporary immigration status for all migrants early in the pandemic; improving support for refugee migrant reunion; extended deadlines for workers who want to challenge discrimination by their employers through the employment tribunal. Our earlier calls to support tenants to avoid eviction and to increase Local Housing Allowance to help them keep up with rent were followed up by LCN joining the Renters Reform Coalition.

- **Representation**: as the representative body for Law Centres, LCN promotes their interests through a variety of sector and professional forums, such as the Law Society's specialist practitioners' group and the Legal Aid Agency's civil contracts consultative group.

2. Communications

In this disrupted year, LCN has nonetheless managed to maintain and develop its communications work, in part thanks to the temporary additional resource of an intern, who worked primarily on supporting our social media function.

- **News media**: the network was covered in 208 news items this year, an increase of 32% on last year. 142 of them, or just over two-thirds, were in national outlets, split almost evenly between generalist and sector-specific outlet. LCN featured in 46 of these articles, or 22% of the total, a relative and absolute increase on last year. This year we have also experimented in paid-for exposure through a dedicated section in Proof, a magazine on justice issues, to celebrate the long history of the Law Centres movement through a dedicated section of original material chosen or produced largely by LCN.



- **Social media**: this year we have increased our direct followers by 14% and our reach by 23% across the media where we operate: Twitter, Facebook and LinkedIn. We now reach just under 250,000 people a month on average. This growth was led by Twitter, which is by far our largest presence, as a combination of internal and external factors. Our periodic email newsletter, too, now reaches 25% more recipients and with a steady open rate. Additional resource for social media has enabled us to increase the proportion of scheduled content and to make it more visual, which in turn frees up more capacity to respond to events as they occur.

- **Support for Law Centres**: this year we have improved our support for members to undertake their own communications work through the creation of a dedicated community of practice with its own channels of communication. We also intend this to facilitate peer learning among members and to improve our collective ability to respond more quickly to media requests.

- **Website**: we are in the process of replacing the current LCN website and some of its sections are already rerouted to alternative online locations with new content. The technical work is largely undertaken in house through our digital team. It draws on user research with a range of stakeholders to shape its structure and design work to for a clear and inviting look and feel.

3. Brand

LCN is the protector of the Law Centre name and brand, in the broader sense of what the public understands that Law Centres are, do and stand for. As such, this year we have worked on several initiatives that increase public awareness and appreciation of Law Centres, marking the movement's fiftieth anniversary in July 2020 on the anniversary of the founding of the first UK Law Centre.

One such initiative is:

- **'Make Law For All'**: this ongoing fundraising campaign for Law Centres, two years in the planning, is LCN's first attempt at a structured fundraising campaign, and the first time that LCN and Law Centres have undertaken fundraising jointly rather than each on its own. It has had a considerable profile raising aspect, which includes dedicated social media channels and a promotional report that showcases Law Centres' responses to the pandemic as well as research into the affordability 'justice gap'. The campaign has had early success in appealing to law firms at the onset of the pandemic, and again toward the end of the year through a fundraising drive by barrister Adam Wagner, both of which generated enough funds to support several Law Centres with grants.

The Future - the next 10 years

The simple reality is that the speed of change is such that detailed planning for any longer than 6-12 months is often of very limited value as the staffing, funding, political and technological environment changes at a pace which means that strategic and operational planning need to be agile and adaptable (to ensure that opportunities are taken and that risks are managed and mitigated).

For this reason, LCN has changed its approach to business planning. Instead of annual reviews, we have implemented a 6 monthly review process. At each review, detail for the coming six months will be updated and the plan will be extended so that it always looks at least three years into the future.

The coming 3 years present big challenges, particularly as a result of Covid-19. Law Centres are facing reduced funding from April 2021; the need to adapt to new technologies and embed remote service provision; and new community and client needs arising from the pandemic. Strong, resilient and accessible Law Centres are needed more than ever. LCN must step up to support them to respond to these challenges.

Consequently, in December 2019 LCN set out a longer term (10 years) vision for Law Centres and for LCN. This gives us a clear sense of direction and aspiration.

In the coming 10 years, we will ensure that:

1. The national network of Law Centres will have grown to at least 60 Centres;
2. All Law Centres will be resilient and secure with access to the latest technology and able to meet community needs and expectations;
3. Law Centres will be recognised as rights-based organisations that use the law as a tool for change;
4. LCN will remain at the heart of the network providing an increased range of support services to Law Centres and recognised nationally as the voice of Law Centres and a champion for access to justice and social change.

The Year Ahead - 2021/2022

Following a reconsideration of LCN's Theory of Change in 2021, we have clarified our strategic goals. As a result in 2021-2022 LCN aims to:

1. Help Law Centres
2. Strengthen the network of Law Centres
3. Amplify the voice of Law Centres

Late in 2021 the new Theory of Change will be published. LCN will continue to review priorities each 6 months and set them with regard to the situation at the time but with the aim of achieving our longer term ambition.

Fundraising Practice

As for many charities, raising voluntary funds from trusts, foundations and individuals is a vital source of income for LCN, enabling us to fulfil our charitable objectives as effectively as possible. We are very grateful for the support given by all our donors.

LCN believes that fundraising should be an open, honest and respectful process. We aim to build and maintain solid partnerships with our supporters and donors, based on mutual understanding and shared values. In developing our approach to fundraising we have taken account of the Code of Fundraising Practice issued by the Fundraising Regulator. LCN is registered with the Fundraising Regulator.

LCN operates with a small internal fundraising team. In addition to this, we have engaged external consultants to assist us with our 50th Anniversary fundraising campaign. LCN does not, nor will not, engage

in face-to-face or telephone fundraising. LCN has received no complaints about its fundraising activities either during the financial year or subsequently.

GDPR

LCN continues to monitor our compliance with GDPR. LCN's Privacy Policy, published on our website, clearly states what personal data LCN will hold in relation to supporters and how this data will be used. It also sets out how individuals can raise concerns or complaints. In late 2021, we plan to review our data protection procedure and privacy policy.

Financial review

The net incoming resources for LCN for the year ended 31 March 2021 totalled £145,770 (2020: outgoing resources -£146,572).

LCN had a net surplus on unrestricted funds of £117,776. Together with the accumulated surplus brought forward from previous years, the charitable company now has accumulated unrestricted funds of £306,301 (2020 £188,525).

Our main source of unrestricted funds continues to be from subscriptions from Law Centres and donations. In addition, a contribution this year of £5,062 (2020: £11,034) as gifts-in-kind was generously provided by several law firms.

Restricted funds carried forward at 31 March 2021 amounted to £300,690 (2020: £272,696). This is sufficient for the activities for which the funds were provided.

Reserves policy

The Executive Committee has considered the following factors when considering a reserves policy:

- the organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- the organisation's obligation to maintain a safe and clean working environment;
- that certain equipment is essential for our work;
- that an increasing proportion of the organisation's income is now derived from fixed term project grants; and
- the potential impact of the Covid-19 pandemic on future grants and donations.

The Executive Committee agreed that LCN should maintain unrestricted funds equal to six month's core service running costs. This amounts to £254,640. The current level of unrestricted reserves is £306,301 of which £145,000 is designated, at Balance Sheet date, leaving £158,353 in free reserves. This is sufficient for LCN to run for 4 months. Unrestricted cash balances on 31 March 2021 amounted to £265,325 which includes designated cash reserves, therefore, free cash reserves held at 31 March 2021 amounted to £120,325.

The level of unrestricted reserves and available cash is sufficient for LCN to meet its obligations to all staff (calculated at £107,500) should it cease trading. The Executive Committee has budgeted for a surplus in the coming year in order to build reserves to the level they believe is prudent given the current circumstances in the UK.

Going Concern

At its meeting on 5 July 2021, the Executive Committee considered whether LCN will be a going concern for the coming twelve months. The EC were provided with draft end of year accounts, Quarter 1 2021/2022 Management Accounts including the Balance Sheet, 3 year budget (2021-2024) with cash flow projections, Cease Trading calculations, Reserves calculations, LCN Risk Register, LCN Fundraising Strategy, Checklists 8 and 20 for completion, Charity Commission's *15 Questions Trustees Should Ask,* Guidance on *Charity Governance, Finance and Resilience,* and Guidance from the auditors.

The EC discussed whether LCN has sufficient reserves to cover its liabilities should it have to close; they assessed whether the documents indicated that LCN is on sound financial footing for the immediate future. They considered the Reserves policy, the risk assessment, how LCN manages its finances, its staffing requirements, its charitable objects, its strategic plan, its obligations to funders, the safeguards it has in place to protect against fraud, its leases and premises, and our current banking arrangements. Importantly the Committee considered the current economic climate, and the ongoing impact of Covid. They asked whether LCN is robust enough to address unexpected situations? Finally, they discussed the likelihood of the number of Law Centres increasing or decreasing in coming years and what impact that would have. It was noted reputational risk should also be considered. It was also asked whether LCN had considered merging with other charities. It was agreed that the Finance Sub-Committee should monitor Risk on a regular basis alongside the finance reports.

The Executive Committee then agreed that LCN is a going concern until the end of 2022.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the Law Centres Federation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper 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; and
- 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.

Events since the end of the year

In the opinion of the Executive Committee no event since the balance sheet date significantly affects the company's financial position. However, the Executive Committee is continually monitoring the impact of the Covid-19 crisis on LCN's current and future finances. Fortunately, the LCN has been well supported by its funders in response to the crisis so its current financial position is strong for the remainder of 2021 and into 2022.

Having carried out a detailed review of the Charity's resources and the current economic challenges facing both the Charity and its members, together with the review of Going Concern discussed above, the Trustees are satisfied that the Charity has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

Independent Auditors

The auditors, Moore Kingston Smith, are deemed to have been appointed in accordance with section 485 of the Companies Act 2006 by virtue of an elective resolution passed by the members.

Approved by the Executive Committee on 4 October 2021 and signed on its behalf by:



Helen Rogers

Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LAW CENTRES FEDERATION

Opinion

We have audited the financial statements of Law Centres Federation ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 '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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the 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 the charitable company'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' 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 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- we obtained an understanding of the legal and regulatory requirements applicable to the charitable company through the use of permanent audit file information, updated this year for any changes that have been identified by management or by our own investigations and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council;

- we obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance and through reviews of relevant accounting and management records;

- we assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, based on our work as outlined above;

- we enquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations, using associated documentary evidence to better understand items of interest;

- based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. As well as specific audit testing, this included approaching accounting records with an inquisitive and sceptical mindset such that we examined items that were felt to be of interest or of higher risk in this area, and obtaining additional corroborative evidence as required.

To address the risk of fraud through management override of controls, we carried out the following work:

- procedures were undertaken to identify any unusual or unexpected matters, and the rationale behind any such matters was examined;

- journal entries were reviewed to identify unusual transactions;

- judgements and assumptions made in determining the accounting estimates set out in the accounting policies were reviewed.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;

- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we

conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the 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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP.

15 October 2021

James Saunders FCCA DChA (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Law Centres Federation

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

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	**2021 Total £**	2020 Total £
Income and Endowments					
Donations	**2a**	-	288,277	**288,277**	111,335
Ministry of Justice Grant	**2b**	3,000,000	-	**3,000,000**	-
Charitable activities	**2c**	1,115,441	132,696	**1,248,137**	1,398,073
Investments		37	68	**105**	49
Other	**2d**	28,089	6,152	**34,241**	23,472
Total		**4,143,567**	**427,193**	**4,570,760**	**1,532,929**
Expenditure on:					
Raising funds		-	29,480	**29,480**	27,211
Ministry of Justice Grant	**3b**	3,000,037	-	**3,000,037**	-
Charitable activities	**3a**	1,139,011	256,462	**1,395,473**	1,652,290
Total		**4,139,048**	**285,942**	**4,424,990**	**1,679,501**
Net income/(expenditure)		**4,519**	**141,251**	**145,770**	**(146,572)**
Transfers between funds	**11**	23,475	(23,475)	-	-
Net movement in funds	**11**	**27,994**	**117,776**	**145,770**	**(146,572)**
Reconciliation of funds:					
Total funds brought forward	11	272,696	188,525	461,221	607,793
Total funds carried forward		**300,690**	**306,301**	**606,991**	**461,221**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

The notes on pages 32 to 46 form part of these financial statements.

Law Centres Federation

Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Fixed Assets				
Tangible Fixed Assets	**10**	2,948		4,129
			2,948	**4,129**
Current assets				
Debtors	**7**	164,415		548,974
Cash at bank and in hand		566,015		251,517
		730,430		**800,491**
Creditors: amounts falling due within one year	**8**	(126,387)		(343,399)
Net current assets			**604,043**	**457,092**
Net Assets			**606,991**	**461,221**
Funds	**11**			
Restricted funds				
In surplus			300,690	272,696
Unrestricted funds:				
General fund			306,301	188,525
of which designated			145,000	62,712
Total funds			**606,991**	**461,221**

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

Approved and authorised for distribution by the Executive Committee on 04 October 2021 and signed on its behalf by

HRogers.

Helen Rogers
Chair

Sean Canning

Sean Canning
Treasurer

The notes on pages 32 to 46 form part of these financial statements.

Company no. 2433492

Law Centres Federation

Cash Flow Statement

As at 31 March 2021

	Note	2021	2020
		£	£
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	**16**	318,964	(276,666)
Cash flows from investing activities:			
Interest income		105	49
Purchase of property, plant and equipment		(4,571)	(2,716)
Net cash provided by/(used in) investing activities		**(4,466)**	**(2,667)**
Change in cash and cash equivalents in the reporting period		**314,498**	**(279,333)**
Cash and cash equivalents at the beginning of the reporting period		**251,517**	**530,850**
Cash and cash equivalents at the end of the reporting period		**566,015**	**251,517**

Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand	566,015	251,517
Total cash and cash equivalents	**566,015**	**251,517**

Analysis of changes in net debt	**1 April 2020 £**	**Cash flows £**	**30 March 2021 £**
Cash	251,517	314,498	566,015
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
Total	**251,517**	**314,498**	**566,015**

1.1) Accounting policies

Basis of Preparation

a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), published on 16 July 2014. The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when there is entitlement, it is measurable and receipt is probable. Intangible income is recognised as a gift in kind where the provider of the service has incurred a financial cost and is valued at the value to the charity. Income is deferred when it relates to a specific later period, or there are conditions yet to be fulfilled for entitlement.

c) Subscription income from Law Centre members is recognised in the year in which it relates.

d) Gifts in Kind reflect the costs of rooms, catering and staff support from Law Firms and other suppliers to promote seminars, training and advice sessions conducted by Law Centres Federation as well as pro bono legal advice provided to LCF. Gifts in Kind are either valued by the suppliers undertaking the work or, where this is not immediately obtainable, by taking a reasonable estimate of the length of time involved in doing the work multiplied by the Standard London pro-bono rate.

e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

f) Resources expended are recognised in the period in which they are incurred. Resources expended include irrecoverable VAT.

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 is an estimate, based on staff time, of the amount attributable to each activity.

Direct service provision	91.7%
Cost of generating voluntary income	8.3%

Governance costs, which are included within support costs, include the management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

g) The costs of generating voluntary income relate to the costs incurred by the charity in raising funds for the charitable work.

h) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value on a straight line basis over its expected useful life. The useful lives are as follows:

Computer equipment	4 years
Office equipment	4 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. During the period of their depreciation, assets are reviewed for impairment if circumstances indicated their carrying value may exceed their net realisable value and value in use.

i) 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.

j) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

k) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

l) The charity operates a defined contribution auto-enrolment pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pensions costs represent contributions payable under the scheme for the payment of those contributions calculated at 8% of gross pay (7% employer contribution; 1% employee contribution).

1.2) Going concern basis

The Executive Committee at its meeting on 5 July 2021 considered each of the 15 questions and guidance provided by the Charity Commission in relation to 'going concern'. The EC added two additional considerations - LCN's ability to sustain and grow its membership and its cash position. It agreed that the Finance Sub-Committee would monitor risk at each of its meetings alongside 'going concern'. The EC agreed that LCN is a going for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3) Accounting estimates and judgements

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

1.4) Staff Policies

The costs of short-term employee benefits are recognised as a liability and an expense.
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment or to provide termination benefits.

1.5) Financial Instruments

Basic Financial Instruments
The charity only holds basic financial instruments as defined by FRS 102.

a) **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

b) **Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at the recoverable amount. Debtors and creditors that are receivable of payable in more than one year are carried at their present value of the expected future receipts or payment discounted at a market rate of interest.

2a. Donations

	Restricted £	Unrestricted £	**2021 Total £**	2020 Total £
Subscriptions from Law Centre members	-	82,000	**82,000**	74,360
Donations	-	206,277	**206,277**	36,975
	-	288,277	**288,277**	111,335

2b. Extraordinary Grant

	Restricted £	Unrestricted £	**2021 Total £**	2020 Total £
Ministry of Justice	3,000,000	-	**3,000,000**	-
	3,000,000	-	**3,000,000**	-

2c. Charitable Activities

	Restricted £	Unrestricted £	**2021 Total £**	2020 Total £
AB Charitable Trust	30,000	50,000	**80,000**	50,000
Access to Justice	-	-	**-**	15,000
Allen & Overy Foundation	-	25,000	**25,000**	25,000
Bell Foundation	10,000		**10,000**	10,000
Esmee Fairbairn Foundation	71,500	-	**71,500**	47,667
European Union Latin American Project	37,779	-	**37,779**	723,854
Freshfields	-	-	**-**	20,000
Home Office	365,919	-	**365,919**	-
IT - Digital Transformation (TNLCF)	149,750	-	**149,750**	70,500
IT National Project (TLEF)	-	-	**-**	257,210
John Ellerman Foundation	-	-	**-**	30,000
National Lottery - Covid Emergency	205,000	-	**205,000**	-
Public Law Project	30,000	-	**30,000**	-
Sustainability (TLEF)	66,667	-	**66,667**	50,000
PRE Brexit (Trust for London)	-	-	**-**	39,250
Three Guineas	100,000	-	**100,000**	-
TLEF - Covid Emergency	20,000		**20,000**	-
Trust for London Post Brexit	28,000	-	**28,000**	-
Training Fee /Services to LCs	-	35,956	**35,956**	2,865
Gifts in Kind	826	4,236	**5,062**	11,034
Online legal resources	-	-	**-**	33,301
Annual conference	-	17,504	**17,504**	12,392
Total	**1,115,441**	**132,696**	**1,248,137**	1,398,073

2d. Other income

	Restricted £	Unrestricted £	**2021 Total £**	2020 Total £
Sundry income	3,064	6,152	**9,216**	2,022
IT Licensing	25,025	-	**25,025**	21,450
Total	28,089	6,152	**34,241**	23,472

3. Total expenditure

		Raising Funds	Charitable Activities	Support Cost	2021	2020
		£	£	£	£	£
Staff costs	5	24,911	412,071	48,093	**485,075**	309,811
Staff Travel, Training, Recruitment & Meetings		-	7,505	-	**7,505**	11,339
Governance costs	3c	-	14,084	-	**14,084**	17,927
Premises costs		-	12,302	-	**12,302**	16,901
Office: Office costs, ICT, Insurance & Communications		-	18,727	2,605	**21,332**	14,396
Legal and Professional Fees		-	-	4,182	**4,182**	53,596
Services to Law Centres		-	80,289	-	**80,289**	71,480
Grants & Payments to Law Centres	3a	-	454,703	-	**454,703**	1,078,401
Ministry of Justice Grant & Payments	3b	-	3,000,037	-	**3,000,037**	-
Annual Conference & Events		-	29,962	-	**29,962**	15,138
Publication design & print		-	8,771	-	**8,771**	672
Subscriptions & Journals		-	3,503	-	**3,503**	3,320
Training and Course Costs		-	3,389	-	**3,389**	10,628
Website / Digital Development		-	12,057	-	**12,057**	26,758
Bad debts expense (Note 3c)		-	720	-	**720**	15,182
Gifts in kind		-	5,062	-	**5,062**	11,035
Other (Travel & Project Specific costs)		-	282,017	-	**282,017**	22,918
Total expenditure		**24,911**	**4,345,199**	**54,880**	**4,424,990**	1,679,501
Support Costs		4,569	50,311	(54,880)	-	-
Total expenditure		**29,480**	**4,395,510**	**-**	**4,424,990**	1,679,501

Of the total expenditure £4,424,990 analysed above (2020: £1,679,502), amounts totalling £4,139,048 were attributable to restricted funds (2020: £1,491,056).

3a. Analysis of Grant Payments to Law Centres

	2021	2020
	£	£
Crisis Hub	21,000	-
EULAMP	38,585	70,959
EUSS	324,318	648,845
Guardian Appeal	2,000	300,000
Law firm donations	25,000	-
North Wales steering Group	5,000	-
TNLF Covid	3,800	-
SocFin	-	3,900
TFL-Brexit	-	54,696
TFL-PostBrexit	6,000	-
Three Guineas	29,000	-
	454,703	**1,078,400**

3b. Analysis of Ministry of Justice Grant Payments to Law Centres

Ministry of Justice grant income of £3m was received during the year. All grants were paid to institutions. £2.94million was distributed as grant payments to Law Centres. £60k was retained by LCN for management costs (Note 2b and 11e).

Organisation	**2021**	**2020**
	£	**£**
Bradford Law Centre	2,700	-
Bristol Law Centre	153,500	-
Cambridge House Law Centre	3,400	-
Camden Community Law Centre	75,000	-
Central England Law Centre	15,000	-
Cumbria Law Centre	80,000	-
Derbyshire Law Centre	111,800	-
Ealing Law Centre	4,000	-
Equality & Employment Law Centre	80,000	-
Gloucester Law Centre	93,700	-
Greater Manchester Law Centre	140,000	-
Hackney Law Centre	140,000	-
Hammersmith & Fulham Law Centre	13,800	-
Haringey Law Centre	32,500	-
Harrow Law Centre	155,000	-
Hillingdon Law Centre	64,300	-
Isle of Wight LC	61,900	-
Islington Law Centre	61,000	-
Kirklees Law Centre	10,000	-
Luton Law Centre	75,000	-
Merseyside Law Centre	120,000	-
Newcastle Law Centre	85,000	-
North Kensington Law Centre	85,000	-
Nottingham Law Centre	164,500	-
Paddington Law Centre	72,000	-
Plumstead Community Law Centre	32,500	-
Plumstead Community Law Centre	4,100	-
Public Interest Law Centre	50,000	-
South West London Law Centres	274,000	-
Southwark Law Centre	201,000	-
Speakeasy Law Centre	92,000	-
Suffolk Law Centre	88,000	-
The Derby Law Centre	60,000	-
Tower Hamlets Law Centre	100,000	-
Vauxhall Community Law Centre	60,000	-
Wiltshire Law Centre	79,300	-
	2,940,000	
LCN Management and Support fees	60,037	-
	3,000,037	-

3c. Analysis of governance costs	**2021**	**2020**
	£	**£**
Annual Report	1,950	3,381
Audit	11,330	12,315
EC travel (reimbursed)	-	1,946
Governance meetings	804	285
Total governance costs	**14,084**	**17,927**

3d. Analysis of bad debt expense	**2021**	**2020**
	£	**£**
Debtor w/offs	720	14,420
Bad debt allowance adjustment	-	762
Total bad debt expense	**720**	**15,182**

3e. Total expenditure (Comparison 2020)

	Raising Funds	Charitable Activities	Support Cost	2020	2019
	£	£	£	£	£
Staff costs (note 5)	22,381	286,025	1,405	309,811	281,769
Staff Travel, Training, Recruitment & Meetings	819	6,744	3,776	11,339	9,056
Governance costs (note 3b)	-	-	17,927	17,927	13,442
Audit and other fees	-	-	-	-	-
Premises costs	-	16,195	706	16,901	16,680
Office: Office costs, ICT, Insurance & Communica	-	14,396	-	14,396	13,618
Legal and Professional Fees	-	46,289	7,307	53,596	151,927
Services to Law Centres	-	71,480	-	71,480	146,850
Grants & Payments to Law Centres	-	1,078,401	-	1,078,401	62,831
Annual Conference & Events	-	15,138	-	15,138	15,812
Publication design & print	-	672	-	672	5,243
Subscriptions & Journals	-	640	2,680	3,320	2,858
Training and Course Costs	-	10,628	-	10,628	11,761
Website / Digital Development	-	26,149	611	26,758	8,825
Bad debts expense (Note 3c)	-	3,780	11,402	15,182	43,933
Gifts in kind	-	2,526	8,508	11,034	17,760
Other (Travel & Project Specific costs)	-	21,714	1,204	22,917	35,566
	-	-	-	-	
Total expenditure	**23,200**	**1,600,777**	**55,526**	**1,679,501**	**837,931**
Support Costs	4,011	51,514	(55,526)		-
Total expenditure	**27,211**	**1,652,291**		**1,679,501**	**837,931**

3f. Analysis of governance costs (Comparison 202	**2020** £	**2019** £
Annual Report	3,381	**1,045**
Audit	12,315	**10,080**
EC travel (reimbursed)	1,946	**1,962**
Governance meetings	285	**355**
Total governance costs	**17,927**	**13,442**

3g. Analysis of bad debt expense (Comparison 202	**2020** £	**2019** £
Exchange losses		22,384
Debtor w/offs	14,420	10668
Bad debt allowance adjustment	762	10,880
Total bad debt expense	**15,182**	**43,933**

4. Net income/(expenditure) for the year

This is stated after charging:	**2021**	**2020**
	£	**£**
Executive Committee's reimbursed expenses	**-**	**1,946**
Auditors' remuneration (excluding VAT):		
▪ Audit	**10,210**	**9,495**
Operating lease rentals:		
▪ property	**8,480**	**8,480**

No Executive Committee expenses were incurred in 2020 - 2021 due to Covid (£1,946 in 2019/20). None of the 23 members (18 members to Nov 2020; 17 members from Nov 20) of the committee serving during 2020-21 were remunerated.

5. Staff costs and numbers

Staff costs were as follows:	**2021**	**2020**
	£	**£**
Salaries and wages	**417,335**	269,015
Social security costs	**38,642**	23,879
Pension contributions	29,098	16,918
	485,075	309,812

1 employee earned more than £60,000 during the year. (2020: none)

The average monthly number of employees (full-time equivalent) during the year is as follows:

	Head count		**Full Time Equivalent**	
	2021	2020	**2021**	2020
	No.	No.	**No.**	No.
Cost of generating income	4	5	0.6	0.4
Support costs	7	7	1.2	0.9
Direct Service provision	13	13	9.9	5.8
Average Employee Numbers	12	8	12	7

Staff have been allocated to areas of work where they spend most time.

Key Management Personel

The Key Management of the Charity is considered to be the Director (FT), Finance Officer (0.6 FTE) (& Trustees). The total employee benefits of the key management personnel were £102,712 (2020: £92,933), which includes total employer NIC Contributions of £9,527 (net of £4,000 employment Allowance) and total employer pension contributions of £6,062.

Trustees are not renumerated but are reimbursed for travel and subsistence expenses incurred through attendance of governance meetings.

6. Taxation

All income is charitable and applied for charitable purposes only and thus is exempt from corporation tax.

7. Debtors

	2021 £	2020 £
Grants receivable	**40,000**	446,936
Prepayments	**33,914**	25,382
Conference fees	**4,700**	1,500
IT Licensing	**14,859**	12,921
Membership & Lexis Nexis	**23,911**	24,097
Allowance for doubtful debts	**-**	(18,578)
Other debtors	**47,031**	56,716
	164,415	548,974

8. Creditors: amounts due within 1 year

	2021 £	2020 £
Trade creditors	**69,344**	129,487
Taxation and social security	**12,316**	11,266
Accruals	**10,525**	158,895
Deferred Income	**-**	-
Pension contributions	**3,175**	3,175
Amount held on behalf of Law Centres	**29,367**	39,119
Other creditors	**1,660**	1,457
	126,387	343,399

9. Deferred Income

	2021 £	2020 £
Deferred Income b/f	**-**	12,000
Released in year	**-**	12,000
Deferred to next year	**-**	
Deferred Income c/f	**-**	**-**

Deferred income in 19/20 relates to a) an annual Freshfield's grant for 19/20 received in 18/19, and b) a payment on account for Law Centre membership in 19/20.

10. Fixed assets

	Computer equipment £	2021 Total £
Cost		
As at 01 April 2020	10,499	**10,499**
Additions	4,571	**4,571**
As at 31 March 2021	15,070	**15,070**
Depreciation		**-**
As at 01 April 2020	6,370	**6,370**
Charge for the year	5,752	**5,752**
As at 31 March 2021	**12,122**	**12,122**
Net book value		
As at 31 March 2020	**4,129**	**4,129**
As at 31 March 2021	**2,948**	**2,948**

11.a Movements in funds

		At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year 2021 £
Restricted funds:						
Development and support of Law Centres						
AB Charitable Trust		-	30,000	28,603	-	**1,397**
Access to Justice		8,431	-	8,431	-	**-**
Bell Foundation		2,000	10,680	9,363	-	**3,317**
Covid Support (TNLCF)	11d	-	205,000	105,243	-	**99,757**
Covid Support (TLEF)	11d	-	20,000	16,641	-	**3,359**
Covid Support **(**Ministry of Justice) **	11d	-	3,000,037	3,000,037	-	**-**
Esmee Fairbairn Foundation		26,893	71,500	68,653	-	**29,739**
European Union Latin American Project	11b	(16,282)	40,843	48,036	23,475	**-**
Home Office *		-	366,065	366,065	-	**-**
IT - Digital Transformation (TNLCF)		43,264	149,750	130,317	-	**62,697**
IT - Digital Upgrade(TLEF)		172,055	25,025	197,080	-	**-**
PRE Brexit (Trust for London)		3,065	-	3,065	-	**-**
Public Law Project		-	30,000	21,000	-	**9,000**
Scoping Legal Support and Social Care with Social Finance (TLEF)		5,100	-	-	-	**5,100**
Sustainability (TLEF)		21,313	66,667	41,461	-	**46,519**
Three Guineas Trust		-	100,000	68,484	-	**31,516**
Trust for London Developing New Models		1,858	-	-	-	**1,858**
Trust for London Post Brexit		-	28,000	21,568	-	**6,432**
North Wales steering group		5,000	-	5,000	-	**-**
Total restricted funds		**272,696**	**4,143,567**	**4,139,048**	**23,475**	**300,690**
Unrestricted funds						
		188,525	**427,193**	**285,942**	**(23,475)**	**306,301**
General fund ***						
of which General Funds		*125,813*	*235,958*	*200,470*		*161,300*
of which designated	11c	*62,712*	*191,235*	*108,946*	-	*145,001*
Total funds		**461,221**	**4,570,760**	**4,424,990**	**-**	**606,991**

***** Resources include allocated Gifts in Kind -

****** Resources include Bank Interest

11b. Restricted Funds Transfer

Includes:

£23,475 was transferred from the EULAMP fund to general funds. This represents 20% match funding required by the grant, as well as exchange losses written off from transfers between the UK and the European Union. The project officialy ended in 2020 but the final 20% payment from the European Commission was not received until 2021.

11c. Designated Unrestricted Funds

The designated funds total includes Non-Covid and Covid Emergency funding. Non-covid emergency funding includes £18,755 from the Ellerman Foundation to support learning and transformation in Law Centres. Covid Emergency funding includes £12,900 donated by Law Firms, London Legal Support Trust and the Law Society, as well as £113,345 of general donations to the Justice Fund. We expect these funds to be spent in the next financial year.

11d. Restricted Covid Emergency Support

Includes grant funding from the Ministry of Justice (£3million, plus £37 bank interest),The National Lottery Community Foundation (£205,000) and The Legal Education Foundation (£20,000). The Ministry of Justice grant was expended in full within the year. We expect the National Lottery Community Foundation and Legal Education Grants to be spent in the next financial year.

11.e COMPARATIVE INFORMATION: Movements in funds 2020

		At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year 2020
		£	£	£	£	£
Restricted funds:						
Development and support of Law Centres						
Access to Justice		-	15,000	6,569	-	**8,431**
Bell Foundation		-	10,000	8,000	-	**2,000**
Esmee Fairbairn Foundation - Policy Development		27,822	47,667	48,596	-	**26,893**
European Union Latin American Project - European Commission	*	94,129	414	110,826	-	**(16,282)**
EUSS (Home Office)		-	723,854	723,854	-	**-**
Guardian Christmas Appeal 2018	**	303,299	-	300,000	(3,299)	**-**
IT Digital Transformation (National Lottery Community Fund)	*	-	71,129	27,865	-	**43,264**
IT - SMS (Tides Foundation)		44,926	-	44,926	-	**-**
IT National Upgrade (TLEF)		(6,879)	278,660	99,726	-	**172,055**
Scoping Legal Support and Social Care with Social Finance (TLEF)		11,497	-	6,397	-	**5,100**
Strategic Review of LCN (TLEF)		12,300	-	12,300	-	**-**
Sustainability (TLEF)		-	50,000	28,687	-	**21,313**
PRE Brexit - Trust for London		36,500	39,250	72,685	-	**3,065**
Developing New Models - Trust for London		2,483	-	625	-	**1,858**
North Wales steering group		5,000	-	-	-	**5,000**
Total restricted funds		531,077	1,235,974	1,491,056	(3,299)	**272,696**
Unrestricted funds						
General fund **		76,716	296,955	188,445	3,299	**188,525**
of which designated		51,219	50,000	38,507	-	**62,712**
Total funds		**607,793**	**1,532,929**	**1,679,501**	**-**	**461,221**

* Resources include allocated Gifts in Kind

11. Movements in funds (continued)

Purposes of restricted funds

AB Charitable Trust - 5 year Core fund grant to LCN to increase capacity and extend the impact of LCN's work based on recommenations from the Strategic Review of LCN conducted in 2018.

Access to Justice Foundation - Grant awarded to LCN to work with Law Centres to assist them to become more sustainable and use the Law as a tool for change.

Allen & Overy Foundation - 3 year Core fund grant to LCN to supoort service development work with Law Centres, with particular focus on exploring establishment and extension of services for destitute women

Bell Foundation - Project lead by Harrow Law Centre to support victims of Crime, particularly those who speak languages other than English. LCN's role is to extend the learning from Harrow's project to other Law Centres with view to establish model in other parts of the UK. Year 2 of 3 year project.

Esmee Fairbairn Foundation - 3 years funding for core costs to maintain capacity and delivery on LCN's policy work was granted in late 2018.

European Union Latin American Project - funded by the EU this project works with 4 partner organisations to empower EU-Latin Americans to exercise their mobility rights and to fully participate in U.K. society. Project concluded in 2020.

EUSS - 12 month grant from the Home Office to manage a national project to assist vulnerable EU citizens to apply for Settled Status. LCN manages the project, Law Centres provide the service.

John Ellerman Foundation - 3 years core funds granted to support the development of Law Centres. The focus of this work is on Learning and transformation.

Legal Education Foundation - National IT infrastructure project that will upgrade Law Centres ICT, titled Law Centres 2020 Digital Vision. The project is being implemented over 5 phases and will upgrade computers, migrate all software and data to cloud based services. The focus in 2020 was mobile equipment and ensuring all Law Centres were able to provide services remotely.

Legal Education Foundation in partnership with Social Finance: Pilot the inclusion of legal assistance in Social Finance's Health and Social Care platforms to identify how such a service could be implemented.

Legal Education Foundation: Strategic Review - a project to Commission Social Finance to review the future sustainability of LCN and to make recommendations for the next 3 and 10 years. This work was completed in March 2019.

Legal Education Foundation: Sustainability - 3 year grant awarded to LCN to assist it to implement recommendations made following its strategic review aimed at helping LCN become more sustainable.

Public Law Project - In partnership with CRISIS, a 2 year exploratory project to test the provision of legal assistance, particularly in areas of welfare rights and immigration, to better address situation of people facing homelessness. 3 Law Centres are partners in this project.

The National Lottery Community Fund - Realising Law Centres 2020 Digital Vision - 3 year grant awarded to LCN to work together with Law Centres to explore and implement digital technology to assist them to achieve their mission.

The National Lottery Community Fund - Covid Emergency Fund awarded to LCN to do an intentive piece of work with Law Centres to understand the impact of the adaptions made at speed during the first 6 months of the Covid crisis, to learn what worked well, what adaptions should continue and how to work better within communities in response to crisis situations**.**

Three Guineas Trust - one off emergency grant to be distributed to Law Centres to assist their response to Covid crisis**.**

Trust for London: Developing New Models - stage 2 of this project aims to better understand client fee charging business models across Law Centres and other advice agencies in London. Lessons learnt will be used to improve business models and support agencies to make the fee charging services profitable.

Trust for London: PRE Brexit - provides advice to EEA citizens and their families living in London on protection of their residency rights in the lead up to Brexit and to build capacity through specialist awareness raising sessions for those working with EEA citizens.

Trust for London: POST Brexit - analyse data collected over 5 years of LCN work with EU nationals and produce report and other learning from this to shape legal assistance for vulnerable EU nationals living in the UK includes 2 partner Law Centres.

North Wales steering group - this fund was money held for North Wales steering group given by the Law Society Trust in the year ending 31 March 2002. The funds were held to support the development of a Law Centre in North Wales, which is the purpose of the original grant. A small committee was formed to advance this project. LCN released the funds to the project group in the previous financial year once incurred expenses in relation to the establishment of the Law Centre had been evidenced. The payment was omitted from the previous years' accounts therefore the movement in funds this this year is a correction on the previous year's accounts.

12a. Net Assets by Fund

	Unrestricted £	Restricted £	2021 Total £
Fixed Assets	2,948	-	**2,948**
Net current assets	303,353	300,690	**604,043**
	306,301	**300,690**	**606,991**

12b. Net Assets by Fund (2020 Comparison)

	Unrestricted £	Restricted £	2020 Total £
Fixed Assets	4,129	-	4,129
Net current assets	184,396	272,696	457,092
	188,525	272,696	461,221

13. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property 2021 £	2020 £
Within 1 year	**4,240**	4,240
1 - 2 years	**-**	-
2 - 5 years	**-**	-
	4,240	**4,240**

14. Related party transactions

Some members of LCN's board of trustees sit on the boards of community Law Centres that receive funds from LCN. When funding decisions are taken in respect of these community Law Centres, the relevant representative is excluded from the discussions taking place.

15 Financial Instruments

The financial statements include the following in respect of items held at amortised cost at 31 March:

	2021 £	2020 £
Financial assets measured at amortised cost	730,430	775,109
Financial liabilities measured at amortised cost	81,530	289,939

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

	2021	2020
	£	£
Net income/ (expenditure) (as per the statement of financial activities)	145,770	(146,572)
Adjustments for:		
Depreciation charges	5,752	2,228
Investment income	(105)	(49)
(Increase)/decrease in debtors	384,559	(286,075)
Increase/(decrease) in creditors	(217,012)	153,802
Net cash provided by/(used in) operating activities	**318,964**	**(276,666)**

17 COMPARATIVE INFORMATION:Statement of financial activities (incorporating an income and expenditure account) for year ended 31 March 2020

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Income and Endowments				
Donations	-	111,335	**111,335**	423,236
Charitable activities	1,214,524	183,549	**1,398,073**	697,050
Investments	-	49	**49**	-
Other	21,450	2,022	**23,472**	57,115
Total	**1,235,974**	**296,955**	**1,532,929**	**1,177,401**
Expenditure on:				
Raising funds	-	27,211	**27,211**	21,985
Charitable activities	1,491,056	161,234	**1,652,290**	815,946
Total	**1,491,056**	**188,445**	**1,679,501**	**837,931**
Net income/(expenditure)	**(255,082)**	**108,510**	**(146,572)**	**339,470**
Transfers between funds	(3,299)	3,299	-	-
Net movement in funds	**(258,381)**	**111,809**	**(146,572)**	**339,470**
Reconciliation of funds:				
Total funds brought forward	531,077	76,716	607,793	268,323
Total funds carried forward	**272,696**	**188,525**	**461,221**	**607,793**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.