

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.

ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

Company Number: 04946069

Charity Number: 1101876

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.

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EQUALITY AND EMPLOYMENT LAW CENTRE LTD.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

The Trustees are pleased to present their annual report for the year ended 29th March 2021 along with the financial statements.

The financial statements comply with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

Foreword

Since the last annual report, the world has changed exponentially as the pandemic has taken hold. Covid-19 has had a real impact on communities, organisations working in those communities and on the work place itself. Many organisations have been able to adapt their services to support people during lockdown, but many have been unable to do so, owing to the nature of their business or service. Both employees and employers have been hard hit as well as service users of organisations in the public, education, third and private sectors. The pandemic has highlighted further inequalities as people have lost their jobs, incurred mounting debts, lost their housing and faced an uncertain and stressful future. Thankfully we have continued to operate during these challenging times, continuing to provide vital legal services and advice which we have done so for almost 20 years.

During the past year there has been a raft of legislation that has changed the way in which we live and work. Government guidelines have constantly changed over the past 12 months and in some instances, been as unpredictable as the pandemic itself. Resulting in ongoing ramifications for organisations, individuals, and society on every level. Demand for employment and discrimination advice has been constant throughout the pandemic and our team has worked consistently to keep up with these changes as we continue to operate in a VUCA (a volatile, uncertain complex and ambiguous world).

I would like to thank the Law Centre's staff, who have worked extremely hard, the team have been flexible throughout as we have continued to deliver the service. They will continue to build on all the hard work and initiatives that we have put in place to navigate the challenges of Covid 19.

Despite the challenges I am proud to report that we collaborated with Greenwich University Centre for Research in Employment and Work and published a report with foreword by Lord Lowe about Whistleblowing and Discrimination claims in the Employment Tribunal which was launched at a successful virtual event in December 2020.

Thanks also to our team of Trustees, who have played a major role in another transformative year and are other volunteers who continued to support. We would also like to thank Pam Kenworthy OBE for her ongoing support, invaluable pro-bono work and the excellent legal training she has delivered to our team.

Additionally, I would like to thank all our funders who have enabled us to continue operating during these tumultuous times:

- **Access to Justice Foundation**
- **Community Justice Fund**
- **First Ark Social Investment – LIVV**

EQUALITY AND EMPLOYMENT LAW CENTRE LTD. TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

- HMRC Job Retention Scheme
- Law Centre Federation
- LCVS Community Impact Fund
- Liverpool City Council
- Be More - Liverpool City Region Combined Authority
- QVC

As we turn our sights to the future and look ahead, we will continue to develop future-fit skills building expertise across the organisation in the complex areas of equality and employment law and organisational change to thrive in an ever-changing world, including agility and autonomy,

Our Purpose and Activities

The Law Centre is a charity (EAELC) that provides free legal advice and representation to people who would not otherwise have access to justice.

We specialise solely in employment and discrimination advice across England and Wales and our national reach means that we can support people in advice deserts – indeed we are often the only support available in this area of work across huge areas of the country, particularly outside of city centres.

We are a value led organisation and our Vision and mission are underpinned and characterized by strong and clearly communicated Values.

Vision

Our vision is to be recognised as the preferred specialist provider of Employment Law and Discrimination advice, HR, and Training & Development to individuals, non-profit, CIC, social enterprises and charitable organisations across England and Wales, promoting a fairer and more equal society. We believe that everybody should be treated equally and with dignity and respect both in the workplace and society at large.

Objectives

The principal objectives of the charity as laid out in our governing document are:

The promotion of any charitable purpose for the benefit of the community in Merseyside and to:

- Relieve poverty by the provision of advice and advocacy in employment and discrimination law to those persons otherwise unable to access such advice and advocacy
- Promote the efficiency and effectiveness of charities by the provision of advice and training in employment and discrimination law
- Advance education by improving knowledge of employment and discrimination law and its operation of persons resident or employed in Merseyside
- The promotion of any charitable purpose for the benefit of the community

Main objectives for the year were:

1. Develop a robust fundraising strategy and plan to plug the shortfall in earned income
2. Recruit, develop and retain employment/discrimination solicitors
3. Set and achieve a budget which enables us to continue to stay open

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

4. Secure funding to procure a new case management system
5. Attract new Board members with appropriate skill set
6. Support our team to enrol onto the advanced legal apprenticeships to become qualified solicitors
7. Support two trainee solicitors through to qualification
8. Retain the Legal Aid discrimination contracts
9. Secure funding to continue our learning and development programme
10. Become a Psychologically Informed Environment through specialist training
11. Continue to work with the Universities both with volunteering projects and research projects
12. Build and maintain effective partnerships with like-minded organisations that share our values
13. Be active members of the Law Centre network
14. Continue our employee engagement programme
15. Actively market our services through digital channels and networking

Public Benefit

The Trustees confirm that they have referred to the Charity Commissioner's general guidance on public benefit when reviewing the Charity's Aims and Objectives.

All our charitable activities focus on the provision of legal advice and representation, helping people exercise their legal rights, and advancing education by improving knowledge of employment and discrimination law.

The Trustees consider that the aims and objectives described in this report enable it to meet its obligations to the Charity Commission through the provision of high-quality legal advice and representation which benefits individuals but also the wider community given the economic and social impact of our work.

ACHIEVEMENTS, IMPACT AND PERFORMANCE

In accordance with our objectives our main activities during the past year have been:

- To provide specialist legal advice in employment and discrimination either remotely or face to face, online or virtually, in order that clients can access justice and so that clients can have the confidence to assert their rights:

The law centre is a member of the Law Centre Network and is committed to working in a collaborative way with our partners across the third, public and private sectors.

We have run employment tribunal cases in all the protected characteristics:

- age
- disability
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sexual orientation

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

We have also handled cases of:

- Whistleblowing
- Unfair dismissal
- Redundancy
- TUPE
- Breach of contract

We have also handled discrimination cases in the following sectors:

- Education
- Consumer
- Public services
- Third sector
- Housing

Positive Outcomes have varied from

- Clients asserted their legal rights
- Reasonable adjustments
- Financial compensation
- Reinstatement in employment
- Disciplinary sanctions revoked
- Grievances upheld
- Other party action prevented
- Work related references secured
- Explanation or apology obtained for client
- Early intervention preventing stressful and protracted legal action

Achievements and performance

- We worked with over 1500 clients
- We delivered a remote telephone legal advice service throughout the pandemic
- Secured funding to invest in a new case management system
- Secured funding to support our running costs, ITC equipment, training and consultancy
- 4 members of staff joined the Solicitor Apprenticeship programme
- 2 members of staff have training contracts and qualify in 2021/2022
- 2 employment discrimination cases were won in Employment Tribunal
- We have joined the newly formed Liverpool Advice Network
- Secured Apprentice Levy transfer from QVC
- Won the Legal Aid national remote discrimination contract
- Recruited two specialist solicitors
- Attracted 3 new board members
- Set and achieved a budget which resulted in a small surplus
- Secured funding to deliver specialist Psychologically Informed Environment for our team
- Secured funding to deliver specialist technical legal training
- We published a research report in collaboration with The University of Greenwich, into Employment Tribunal judgments where whistleblowing detriment (referred to throughout as 'whistleblowing' for ease) was claimed alongside discrimination

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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

Impact

Added to these positive outcomes our work has had the following impact for our clients:

- Justice
- Vindication
- Peace of mind
- Stress levels improved
- Closure as legal issues resolved
- Hope and optimism
- Improved health and well-being
- Restored confidence and self esteem
- Clients have asserted their rights

FINANCIAL REVIEW

Total income in the year was £366,816 (2020: £324,174) of which £123,922 (2020: £29,308), related to funding for projects upon which restrictions are placed.

Total expenditure in the year was £357,305 (2020: £297,533) leaving a surplus for the year of £9,511 (2020: surplus £26,641)

At 29th March 2021 the charitable company's reserves stood at a deficit balance of £23,145 (2020: deficit £32,656) of which £nil (2020: £nil) represented restricted funds.

Risk Management

The Office Manual sets out all of our policies and procedures in relation to risk management and business continuity. Trustees' have a risk management strategy, which comprises:

- An annual review of the risks the charity may face
- A risk registers
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise the potential impact of the charity should those risks materialise.
- A Business Continuity Plan
- The risk policy and register are reviewed annually by the Trustees.

Reserves Policy

It is the policy of the charitable company to maintain unrestricted funds, which are free reserves at a level to cover redundancy provision and three months' running costs should no further funding be received. We have undergone undoubtedly one of the most critical and challenging periods in the history of the organisation. Funding has been depleted, legal aid rates are low and not in line with inflation which has increased significantly. Reserves have been depleted and it is a key organisational priority to re-build the reserves and generate more income through a variety of sources:

- Increased fee-paying private work for individuals
- Funding grants specifically for community impact and access to justice
- Legal Aid contracts with higher rates

EQUALITY AND EMPLOYMENT LAW CENTRE LTD. TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

As at the end of the financial year, the unrestricted funds the charitable company requires an estimated £2,834 for redundancy provision and £58,345 for three months' running costs (total : £61,179). External funding is being accessed to develop income generator opportunities to increase the level of free reserves and build up our reserves.

PLANS FOR THE FUTURE

We will continue to build on our successes and focus on key areas of development which include:

1. Income generation

A key priority for the Law Centre is to continue to increase our income to ensure our durability and sustainability. We will do this through maximizing our income derived from private clients outside the scope of publicly funded activity for employment law and discrimination law

2. Fundraising

We will continue to develop our fund-raising plan and broadening our appeal to a wide range of trusts and foundations to support our free employment advice.

3. Grow our own in-house talent

Recruitment and retention are an ongoing challenge as specialist discrimination solicitors are scarce. We will continue to develop our own specialist team through the delivering of in-house specialist legal training and supporting the career development of our team through training contracts and apprenticeships.

4. Develop agile systems

We will continue to embrace more agile and flexible working practices through upgrading the outdated telephony system and to review our processes and procedures with external support to cast a fresh perspective.

5. Develop the Law Centre as a national specialist hub for employment and discrimination

Due to the increasing demand for specialist employment and discrimination advice combined with the advice deserts across the country we want to explore how we can better provide access across England and Wales as other law centres struggle to provide employment or discrimination advice.

6. Research and collaboration. Continue to collaborate with Greenwich University Centre for Research into Employment on projects that are in synergized with our work or other partners

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 23rd October 2003 (company number 04946069) and registered as a charity (charity number 1101876) on 3rd February 2004.

The Governing Instruments under which the charitable company operates comprise the Memorandum and Articles of Association dated 15th October 2003.

The Board of Trustees meets quarterly to monitor the charity's activities and performance, to determine strategy and attend to all other matters of governance.

Currently there are 5 Board members and there are plans to recruit 3 new Board members with expertise in:

- Business Management and HR
- Fundraising
- Financial management

Trustee vacancies are advertised, and new Trustees are appointed by existing Trustees. All vacancies, including those for new Trustees are advertised on our website

In 2018 an audit of the systems and processes was carried by an independent advisor in order to obtain our Specialist Quality Mark. The SQM was successfully obtained in November 2018 and is due for reassessment and renewal in November 2021

The CEO has delegated authority to manage our overall organisation, including management and staffing, our procedures in financial and other matters, including conduct and discipline, learning and development, marketing, fundraising, and implementing strategy proposals and plans. Reporting to the Board the results of these at the quarterly meetings.

**EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 29TH MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

NAME: Equality and Employment Law Centre Ltd.

COMPANY NUMBER 04946069

CHARITY NUMBER 1101876

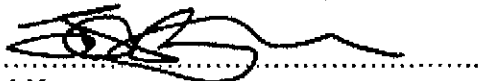
REGISTERED OFFICE 151 Dale Street,
Liverpool,
England,
L2 2AH

TRUSTEES: J Ehlen (Resigned 31st December 2020)
J Finnegan (Appointed 10th December 2020)
S Henney (Resigned on 30th April 2020)
J Keegan
J Mannouch (Appointed 10th December 2020)
L Thomas (Appointed 15th June 2020)

INDEPENDENT EXAMINER Graham Wright BA (Hons) FCA DChA
LCVS,
151 Dale Street,
Liverpool,
L2 2AH

BANKERS: Co-Operative Bank PLC
P O Box 250
Skelmersdale
WN8 6WT

ON BEHALF OF THE BOARD:



J Keegan
Trustee

Date : 12th November 2021

MERSEYSIDE EMPLOYMENT LAW LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES


Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue as a going concern;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

This report has been prepared in accordance with the Charities Act 2011, Companies Act 2006, Accounting and Reporting by Charities; Statement of Recommended Practice (Sorp 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015).

ON BEHALF OF THE BOARD:



J Keegan
Trustee

151 Dale Street,
Liverpool,
England,
L2 2AH

Date : 12th November 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EQUALITY AND EMPLOYMENT LAW CENTRE LTD.

Respective responsibilities of trustees and examiner

I report on the accounts of the charitable company for the year ended 29th March 2021, which are set out on pages 12 to 22.

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Mr. Graham Wright**

Relevant professional qualification or body: **FCA DChA**

Address: **c/o LCVS, 151 Dale Street, Liverpool, L2 2AH**

Dated: **12 November 2021**

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
STATEMENT OF FINANCIAL ACTIVITIES (including Income & Expenditure)
FOR THE YEAR ENDED 29TH MARCH 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Income and endowments from:					
Charitable activities	3	242,894	123,922	366,816	324,174
Total income		242,894	123,922	366,816	324,174
Expenditure on:					
Charitable activities	4	233,383	123,922	357,305	297,533
Total expenditure		233,383	123,922	357,305	297,533
Net Income, net movement in funds		9,511	-	9,511	26,641
Total funds brought forward	12,13	(32,656)	-	(32,656)	(59,297)
Total funds carried forward	11-13	(23,145)	-	(23,145)	(32,656)

The notes on pages 14 to 22 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

EQUALITY AND EMPLOYMENT LAW CENTRE LTD. Company No 04946069
BALANCE SHEET AS AT 29TH MARCH 2021

	Notes	29 th March 2021		29 th March 2020	
		£	£	£	£
Fixed assets					
Tangible fixed assets	5		57		1,957
Current assets					
Work in progress	6	121,273		113,392	
Debtors	7	660		5,000	
Cash at bank and in hand		30,782		23,639	
		-----		-----	
		152,715		142,031	
Current liabilities					
Creditors: amounts falling due within one year	8	(121,405)		(102,043)	
		-----		-----	
Net current assets			31,310		39,988
			-----		-----
Total assets less current liabilities			31,367		41,945
Creditors: amounts falling due after more than one year	9	(54,512)		(74,601)	
		-----		-----	
Net (liabilities)/assets			(23,145)		(32,656)
			=====		=====
Funds:					
Unrestricted Funds	11, 12	(23,145)		(32,656)	
Restricted funds	11, 13	-		-	
		-----		-----	
		(23,145)		(32,656)	
		=====		=====	

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

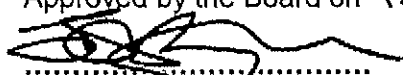
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees, who are the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on 12th November 2021


 J Keegan – Director (Chair)

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

1. Limited Liability

The organisation is a private company limited by guarantee without share capital. Each member's liability is limited to £5.

2. Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (SORP 2015) (effective 1st January 2015), Charities Act 2011 and the Companies Act 2006.

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

The charitable company has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

In light of additional funding received during the year and future plans to grow income streams, at the time of approving the accounts the Trustees have a reasonable expectation, for the reasons outlined in the Annual Report, that the charitable company will be able to access adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Fund accounting

Unrestricted funds are the charitable company's free reserves available for the Trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

Income recognition

All income is recognised once the charitable company has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Income from charitable activities is recognised on an accruals basis except for grants receivable, which are recognised on the date on which their unconditional payment is confirmed by the donor.

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relate to the operation of the charitable company comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Fixed Assets

Capital expenditure is stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Office Equipment	33% per annum straight line basis
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Work in progress

Work in progress is included in these accounts to reflect chargeable hours undertaken on cases which have not reached a conclusion at the year end.

These hours are only included to the extent that they are fully recoverable.

Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

3. Income and endowments from:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Charitable activities				
Access to Justice Foundation	-	4,200	4,200	-
Covid-19 business grant	10,000	-	10,000	-
First Ark Social Investment	-	10,000	10,000	-
HMRC Job Retention Scheme	-	10,286	10,286	-
Law Centre Federation	-	80,000	80,000	-
LCVS Community Impact Fund	-	2,000	2,000	-
Liverpool City Council - Community Resource Grant	-	10,147	10,147	9,115
Liverpool City Council – Ways to Work ILM Scheme	-	7,289	7,289	20,193
Private sales income	12,682	-	12,682	53,207
Service level agreement income	220,212	-	220,212	241,659
	<u>242,894</u>	<u>123,922</u>	<u>366,816</u>	<u>324,174</u>
	=====	=====	=====	=====

4. Expenditure on charitable activities:

	Direct Charitable Expenditure £	Support & Governance Costs £	Total 2021 £	Total 2020 £
Provision of advice and advocacy in the area of employment law for the Merseyside Community	230,563	126,742	357,305	297,533
	=====	=====	=====	=====

a. Analysed as follows:

	2021 £	2020 £
<i>Direct charitable expenditure:</i>		
Staff salary costs	197,203	171,149
Pension	2,670	2,725
Volunteer expenses	30	-
Legal and consultancy fees	19,360	16,106
Medical records	-	152
Clients compensation	11,300	-
	<u>230,563</u>	<u>190,132</u>
	=====	=====

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021**

	2021	2020
	£	£
<i>Support & Governance costs:</i>		
Staff salary costs	36,500	42,253
Pension	744	1,136
Running costs	26,190	24,933
Office costs	8,491	12,104
Travel expenses	10	150
Insurance	8,123	7,892
Training	16,381	764
Recruitment	1,481	600
HMRC interest and charges	-	1,411
Refreshments	-	256
Computer costs	19,094	3,320
Staff welfare	872	589
Marketing	440	462
Bank charges	17	521
Loan interest	4,861	7,366
Payroll Fees	638	739
Accountancy	1,000	1,000
Depreciation	1,900	1,905
	-----	-----
	126,742	107,401
	-----	-----
Total expenditure on charitable activities	357,305	297,533
	=====	=====

£123,922 (2020: £29,308) of the above expenditure relates to restricted funding.

b. Staff Costs

	2021	2020
	£	£
Gross wages and salaries	221,407	201,250
Social security costs	12,296	12,152
Pension	3,414	3,861
	-----	-----
	237,117	217,263
	=====	=====

c. Particulars of employees:

The average number of full-time equivalent employees during the year was as follows:

	2021	2020
	14.0	13.3
Charitable Activities	=====	=====

No employee received emoluments of more than £60,000 during the year. (2020: none)

The Trustees are not remunerated for their services and are not included in the above number of employees.

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

5. Tangible fixed assets

	Office Equipment	Total
Cost	£	£
Balance as at 30 th March 2020	32,922	32,922
Additions during the year	-	-
Disposals during the year	(26,640)	(26,640)
	-----	-----
Balance at 29 th March 2021	6,282	6,282
	-----	-----
Accumulated Depreciation		
Balance as at 30 th March 2020	30,965	30,965
Charge for the year	1,900	1,900
Disposals during the year	(26,640)	(26,640)
	-----	-----
Balance at 29 th March 2021	6,225	6,225
	-----	-----
Net Book Value at 29th March 2021	57	57
	=====	=====
Net Book Value at 29 th March 2020	1,957	1,957
	=====	=====

6. Work in progress

	2021	2020
	£	£
Work in Progress	121,273	113,392
	=====	=====

7. Debtors:

	2021	2020
	£	£
Debtors	660	5,000
	=====	=====

8. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	34,445	43,707
Social security	22,308	12,080
Other creditors	44,563	36,858
Loan (see Note 10)	20,089	9,398
	-----	-----
	121,405	102,043
	=====	=====

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

9. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Loan (see Note 10)	54,512	74,601
	=====	=====

10. Loans

The sum of £84,000 was advanced by First Ark Social Investment on an unsecured basis, repayable over five year with interest being charged at the rate of 9% per annum. An eighteen months capital holiday period was granted, commencing April 2018. This was extended in August 2019 for capital repayments to commence in October 2020. At 29th March 2021 the remaining balance of £74,601 is outstanding.

The following capital repayments are included within creditors:

	2021	2020
	£	£
Due within one year	20,089	9,398
Due between one to two years	21,974	20,089
Due between two to five years	32,538	54,512
	74,601	83,999
	=====	=====

11. Analysis of Net Assets between Funds

	Tangible fixed assets	Net current assets	Creditors: amounts falling due after more than one year	Total
	£	£	£	£
Unrestricted Funds				
General Fund	57	31,310	(54,512)	(23,145)
Restricted Funds:	-	-	-	-
	57	31,310	(54,512)	(23,145)
	=====	=====	=====	=====

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

12. Unrestricted Funds

		<u>Movements in the Year</u>		
	Funds at beginning of year £	Income £	Expenditure £	Funds at end of year £
General Fund	(32,656)	242,894	(233,383)	(23,145)
	=====	=====	=====	=====

General Fund is used to finance the charitable company's general activities as outlined in the Trustees' Report.

13. Restricted Funds

		<u>Movements in the Year</u>		
	Funds at beginning of year £	Income £	Expenditure £	Funds at end of year £
Access to Justice Foundation	-	4,200	(4,200)	-
First Ark Social Investment	-	10,000	(10,000)	-
HMRC Job Retention Scheme	-	10,286	(10,286)	-
Law Centre Federation	-	80,000	(80,000)	-
LCVS Community Impact Fund	-	2,000	(2,000)	-
Liverpool City Council Community Resource Grant	-	10,147	(10,147)	-
Liverpool City Council – Ways to Work ILM Scheme	-	7,289	(7,289)	-
	-----	-----	-----	-----
		123,922	(123,922)	-
	=====	=====	=====	=====

These are monies given to the charitable company to be spent at the discretion of the Board of Trustees for specific charitable purposes.

Access to Justice Foundation – Contribution towards Legal Aid Practitioners Group (LAPG) Management & Leadership Programme.

First Ark Social Investment – Contribution towards Legal Case management system

HMRC Job Retention Scheme – Contribution towards furloughed staff salary costs

EQUALITY AND EMPLOYMENT LAW CENTRE LTD.
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29TH MARCH 2021

Law Centre Federation – Contribution towards staff and running costs

LCVS Community Impact Fund – Contribution towards advice line costs for individuals

Liverpool City Council Community Resource Grant – Funding to provide specialist HR /Employment/Discrimination advice to employers.

	2021	2020
	£	£
Salaries	3,744	3,293
Telephone and internet	4,822	4,822
Payroll	581	-
Accountancy	1,000	1,000
	10,147	9,115
	=====	=====

Liverpool City Council – Ways to Work ILM Scheme – contribution towards salary placement costs.

14. Operating Lease Commitments

The organisation has a licence commitment in relation to rental of premises at 151 Dale Street dated May 2018; the licence has a one-month notice clause. Also, there is a 4 year lease commitment taken out in November 2018 in respect of a photocopier. Payments fall due as under:

	2021	2020
	£	£
Premises	1,097	1,097
Photocopier	690	690
	1,787	1,787
Total due within one year	345	690
Total due within one to two years	-	345
	2,132	2,822
	=====	=====

15. Contingent Liabilities

There were no contingent liabilities as at 29th March 2021 (2020: none).

16. Related Parties

Julie Ehlen, a Director up to 31st December 2020 received a salary of £39,542 for services during the accounting period (2020: £7,500).

17. Guarantees

As at 29th March 2021, 6 members had given a guarantee of £5 each in the event of the company winding-up, total: £30 (2020: 3 members £15).