

NORTH EAST LAW CENTRE
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2025

Charity Number 1105937
Company Number 01653936

NORTH EAST LAW CENTRE

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT

For the year ended 31 March 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ending 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Our Purposes and Activities

North East Law Centre (the Law Centre) provides free specialist legal advice and representation targeted at individuals in the community who have the greatest need, including the unemployed and low paid, disabled people, minority communities, and women and children. We focus on social welfare law issues and specialise in welfare rights, immigration and asylum, employment, education, and family law.

Our mission is to empower people to be aware of their legal rights and to provide high-quality legal support and create accessible, community-focused pathways to justice in the North East. Our vision is that people in North East England with poor access to justice know their legal rights and can exercise them, and have confidence, allies, and routes to a better life.

Our work increases access to justice and removes barriers for at-risk people in society, particularly in understanding their rights to public services, and navigating the complex terminology, processes and paperwork within the legal system.

The Law Centre's specialist in-house solicitors and non-practicing barristers deal with complex legal issues that transform the lives of the people with whom we work, alleviating poverty and tackling social exclusion, and improving integration through access to benefits and reducing school exclusions.

The Law Centre has also developed several pro bono services in partnership with legally qualified volunteers, and we have continued to increase our capacity through partnerships with local practitioners and currently provide discrimination, education, criminal law and welfare rights law pro bono advice services. We continue to work with Law Works and other bodies, including two of the regional universities and the Bar Pro Bono Unit.

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

- To provide free specialist social welfare law advice and representation in immigration and asylum, employment, discrimination, welfare benefits, family, and education.
- To deliver our advice and casework through a combination of methods, mainly by phone, online, face-to-face work, and some outreach.
- To provide free frontline support, triage, referral and signposting services to enquirers who may or may not become advice or casework clients.
- To supplement the work done by the staff team through pro bono clinics offering advice on employment, family, and civil law matters.

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- To provide information, resources, a consultancy service and training to local voluntary advice and support agencies, so that agency staff are more aware of their clients' legal rights and can refer them to the Law Centre for help where appropriate, and that their capacity is built to provide better support for clients in the future.
- To draw on the evidence we collate from our clients' experiences to develop insight into needs and experience, and an understanding of the impact of our work.
- To contribute to public policy discussion and reporting on legislation and policy issues which affect people's welfare; and
- To train and develop our team of staff and volunteers.

Public Benefit

All our charitable activities focus on the provision of legal advice and representation, helping people understand and exercise their legal rights, and are undertaken to further our charitable purposes for public benefit. Most of our services are open to the public and free to our clients, and our affordable private paying immigration service is designed to provide an affordable option to our clients who cannot afford the fees of private law firms. We provide legal advice and representation across a wide range of legal areas that impact people's everyday lives in significant ways. This work is not only of benefit to our individual clients but also to the wider community, given the economic and social impact of our work as the only law centre in the North East.

The Law Centre is unique in its diversity of funding (including legal aid), areas of law, and specialist level of work. It offers a unique and important service to the residents across the North East, and in some cases over the border into Cumbria and North Yorkshire regions. Our services are targeted at marginalised and vulnerable groups, including migrant communities, the unwaged, people on low incomes, and victims of domestic abuse. Most of our clients fall into what has been termed the “justice gap” because they cannot afford to pay for legal assistance privately, and they are also ineligible for legal aid due to its limited scope, or because they are not poor enough to qualify or cannot afford the required contribution.

Working in partnership is intrinsic to the sustainability of our organisation and sector, for us to achieve social impact and change for those we help. With strong connections with community organisations, most of our services are developed and delivered in partnerships to expand our reach. Our development and delivery approaches blend our expertise with those of our community partners to provide services developed from shared priorities and specialist knowledge, tailored to the requirements of our beneficiaries. As a result, we lead on several regional projects developed to increase access to specialist advice, including the Justice Together Initiative: a partnership of 11 organisations delivering immigration legal advice and practical support; Supporting Victims Project: providing support to victims of domestic abuse, hate crime and those with no recourse to public funds; Help Through Crisis Project: a three-partner project providing holistic support to Newcastle residents in crisis.

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For the year ended 31 March 2025

The 2024/25 year in focus

Achievements and performance

7,848	Total number of enquiries handled by the Operations Team
7,534	New advice requests were assessed and triaged, offering enhanced referral and service navigation.
6,161	Number of clients contacting the Law Centre for the very first time
2,937	Number of times legal advice offered on discrete issues, including one-off advice appointments and pro-bono clinics
1,251	Cases worked on, where ongoing support or representation was provided.
763	New matters opened during 2024/25
261	Instances of second-tier advice to partners and other organisations in our network
£577k	Secured in compensation and settlement agreements for litigants challenging discrimination or unfair treatment in the workplace, or benefit entitlement secured for welfare rights clients because of our casework and representation

Main Activities

The charity's main activities and who we assist are described below. The Law Centre helps people to overcome the effects of poverty and inequality. All our charitable activities focus on people on low incomes and are undertaken to further the Law Centre's charitable purposes for the public benefit.

Our main activities during the year included:

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and externally).
- Specialist casework teams in immigration and asylum, family law, welfare rights, employment and education law.

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- An outreach programme delivering weekly specialist legal advice sessions, normally based in front-line services and community venues.
- Three pro bono clinics providing direct assistance with the help of volunteer lawyers, as well as other pro bono activities linked to specific projects and other casework teams; and
- Specialist projects focusing on target client groups.

Staff team

The Law Centre has continued to increase its staffing resources and currently employs a team of twenty-five (and 3 volunteers):

Role	Headcount
Director	1
Deputy Director	1
Senior solicitor*	1
Solicitors	6
Trainee solicitors	3
Caseworkers	5
Paralegals	1
Consultants	2
Business Support Team	3
Business Support Manager	2**
Finance Manager	1
Volunteers	3

* Supervising all areas of the Law Centre's advice work

** Job share

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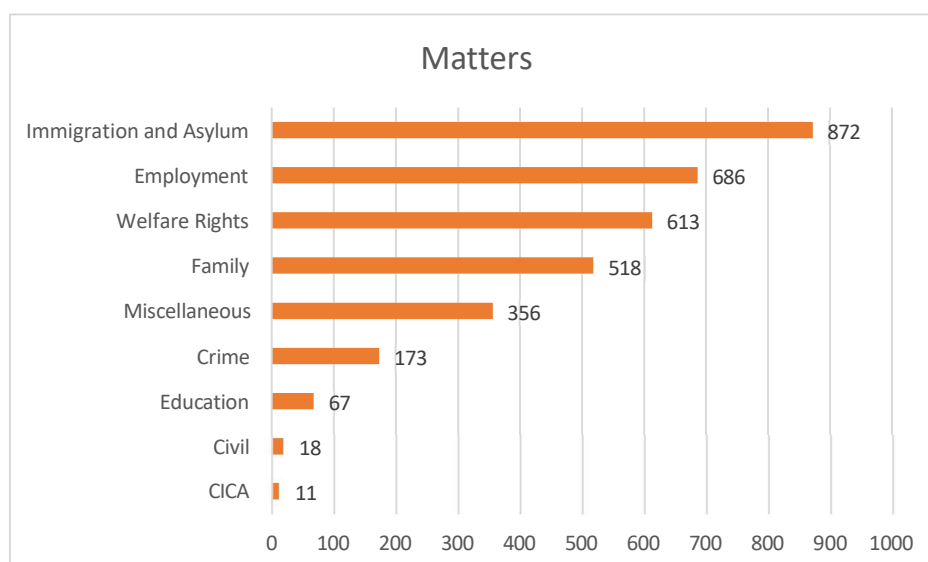
For the year ended 31 March 2025

Reception and Referral Service

In the year 2024/25, the service received 7,848 enquiries (5,626 in 2023/24), of which 6,161 came from people contacting the Law Centre for the first time. Our Operations Team of administrators has performed well given the increased demand, particularly since our move to new, on-street premises, and subsequent increased footfall.

One-off advice, casework, advocacy and representation

The Law Centre worked on 3,314 matters and enquiries during the year. We support clients from initial enquiries through to representation at tribunals and courts. The chart below shows the spread of cases through the year:



There were significant casework successes in all areas of our service. For example, our welfare benefit advisers (1.6 FTE) secured an additional £487k in benefits for 94 of their clients. During the period, we supported clients presenting more multi-faceted clusters of issues that involved relationship breakdown and children, mental health, domestic violence, employment, homelessness problems, and their immigration statuses, that gave rise to very complex, and arguably the most serious issues, for most of our migrant clients.

Legal Education

The Law Centre also undertook both legal education and social policy work – for example, providing training to local community organisations around immigration and asylum rules, and the limits of their intervention without appropriate accreditation. We have been involved

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in the government's review of legal aid, and we have also recently worked closely with two local authorities to discuss the legal advice requirements of separating and separated parents under the Family Hubs programme.

Specialist projects

The Law Centre's specialist projects had a highly successful year with some outstanding casework successes and a wider impact on behalf of vulnerable groups:

Justice Together North East Project is now in its fourth year and continues to increase our reach across the North East by widening access to immigration advice. The project is now in its second year of supporting people with lived experience of the immigration system to obtain timely advice and to influence the immigration and asylum system.

European Union Settlement Scheme project: we received 72 enquiries and supported 46 EU nationals to submit complex applications under the scheme during the year. Funding for the project has now ended, but we have continued to support clients through our other immigration projects while we seek to secure a replacement grant.

Supporting Victims Project, funded by the Northumbria Police and Crime Commissioner (NPCC), the service supports victims of domestic abuse and migrants with no recourse to public funds. Adopting a holistic and multi-disciplinary intervention approach, we supported victims of domestic abuse left without financial support to resolve their legal issues and obtain access to welfare support.

Families Through Crisis Project continues to provide support to people on low incomes to access welfare support and other public services. The project was developed and delivered in partnership with two regional partners and is now in its tenth year. We work extensively with grassroots organisations, and the project is targeted at people within the Newcastle City postcode who would not ordinarily engage with support services and are suffering crisis and hardship.

Improving Outcomes Through Legal Support (IOLTLS) Project is funded by the Ministry of Justice (MoJ) under the auspices of the Access to Justice Foundation until March 2026. The project works to sustain and improve access to early social welfare and family legal advice, specialist casework where court or tribunal proceedings are needed, and provide the support needed to help people navigate the process effectively. The project is targeted at litigants in person to help them navigate the three key stages of their journey through the civil justice system.

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Client Feedback

We actively encourage feedback from our clients. We collate and analyse findings to help inform our delivery approach and service improvement. Below is a snapshot of client responses to the feedback questionnaires:

Presenting issues resolved satisfactorily	100%
Overall experience of the Law Centre was good	100%
Felt supported	100%
Clear idea of next steps	100%
Positive impact on health	98%
Would recommend the service to others	97%
The advice was good	95%
Better understanding of their situation	90%
Advice provided was appropriate to my situation	90%
Able to take next steps on my own	75%

Pro Bono Legal Advice Clinics

We are also committed to pro bono support and have developed several clinics in partnership with LawWorks in education and civil law. Our criminal law clinic has continued to grow from strength to strength and has supported 173 clients during the year.

We continue to work on developing two new clinics to cover housing and family law in 2025/26, with support from two commercial law firms.

Second-tier support

In line with our North East remit, we offer support to advice agencies and other second-tier organisations throughout the North East in the areas of law in which we specialise. This support is in the form of one-off instances of advice.

Also, we continue to run training programmes about access to justice for staff and volunteers from organisations across the voluntary and charitable sector

Finances

Financial Position

We have taken great care to manage our financial position and protect our ability to support clients through times of uncertain and restricted funding. Our stable balance sheet and reserves are becoming ever more challenged by the pressures on funders, increasing extent and breadth of demand and unpredictable grant environment for charities like the Law Centre. We are still grant-reliant, despite developing diverse funding streams. Most of our income is derived

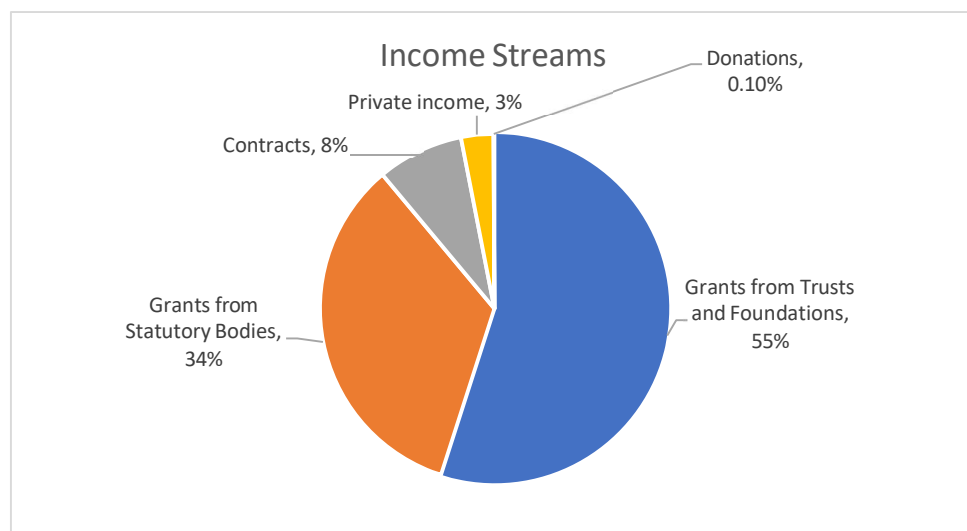
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from grants from private trusts and foundations, public sector bodies, a small legal aid contract (Asylum only) and other public sector contracts. These contracts and grants make up approximately 90% of our annual income. Most are renewed annually and require significant resources to maintain, and our long-term plan remains to secure more multi-year grants.



We are committed to working towards our strategic aim of stronger financial sustainability, and our medium-term goal is to increase income from commissioned work. We have maintained our financial position this year with our turnover over £900k and ensured a level of unrestricted reserves to help manage cyclical gaps in funding.

At 31 March 2025 the unrestricted reserves were £276,512 (2024: £298,770), which represents just over three months of total expenditure.

Out of necessity, we implemented a below-market-rate, affordable private immigration service for some clients to pay directly for our services. The service is an alternative to high street law firms that are out of reach to most of our client groups and is now fully embedded into the Law Centre's operations and has enabled the Law Centre to meet increased demand from clients who are ineligible for grant-funded services.

The demand for the service has steadily increased and supports the Centre's sustainability strategy of reducing our reliance on grants, and the allocation of surplus income generated towards providing free advice to people on low income, which contributes to our charitable purpose.

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Risk Management

The Board of Trustees regularly reviews the major risks to which the charity is exposed. There is a risk register that is updated regularly and reviewed by the Board. Where appropriate, systems and procedures have been established to mitigate these risks.

The Law Centre is accredited under the Law Society's Lexcel Quality Standard, and the annual monitoring visits confirm the Centre's quality compliance and Lexcel accreditation.

Plans for future periods

We projected a challenging year in 2025 due to the changed financial environment, and we have seen that manifest with several funding challenges. Despite the challenges, the Board and the management team are resolutely committed to ensuring that the Law Centre is adequately resourced to meet increased demand and to continue working with funders, to ensure that the Law Centre continues to increase access to justice throughout the North East.

Our Equality, Diversity and Inclusion strategy has now been completed, with a revised mission statement and value statements for the charity.

The Board of Trustees would like to thank all our funders, partners, beneficiaries and the Law Centre's staff and volunteers for their continued commitment to the work of the charity.

Reference and Administrative Details

Registered company number:	01653936 (England and Wales)
Registered charity number:	1105937
Registered Office	10-13 Saville Row Newcastle Upon Tyne England, NE1 8JE
Trustees	Mr C J Whittle, Chair Mrs K J Proud Ms A Khatiri Prof P Hopkins Mr M Tse, Treasurer Mr S Cockburn, (appointed 6 July 2024) Ms K T Flounders, (appointed 1 July 2024) Ms D Lima, (appointed 6 July 2024) Ms V Shoesmith (appointed 10 December 2024)

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Key Management Personnel	Mr M Fawole Centre Director
Independent Examiner	Jim Dodds 33 The Glebe Morpeth, NE61 6HW
Bankers	The Co-operative Bank Plc 84-86 Grey Street Newcastle Upon Tyne, NE1 6BZ

Structure, Governance and Management

Nature of governing documents

North East Law Centre is a registered charity and company limited by guarantee. The company is governed by its Memorandum and Articles of Association and was incorporated on 26 July 1982 and last amended on 23rd April 2018 - number 01653936 and is also a registered charity – number 1105937.

Recruitment and appointment of trustees

Trustees are recruited wherever possible by advertisement. It is open to anyone to apply to become a trustee however, our aim is always to ensure that all our trustees have skills that support our aims and objectives. All appointments must be ratified by the Board. Trustees stand for a fixed term of three years and are re-elected at the Annual General Meeting.

Induction and training of trustees

Trustees receive an induction with the Centre Director where policies, procedures, current and past work are discussed. Each member receives a copy of the governance manual.

Organisational structure

The charity is managed by the trustees who meet at least 6 times per year. The trustees, who served during the year and up to date of the report, are set out on page 1. There were changes in the trustees this year, but the breadth of experience of the board continues to increase with a range of skills required to better support the organisation.

The operational management of the organisation is undertaken by the paid staff team.

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The trustees have examined the major risks which the charity faces in relation to external factors, governance and management, internal operations, and business. The trustees have considered the likelihood and the impact of risks and continually review the systems in place to reduce those risks. The systems are being designed to provide reasonable assurance against material loss.

Statement of Trustees' Responsibilities

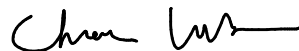
The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (Statement of Recommended Practice);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Approved by order of the board of trustees on 20 November 2025 and
signed on its behalf by:



Charles Whittle
Chair

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 March 2025

I report on the financial statements of North East Law Centre for the year ended 31 March 2025, which are set out on pages 13 to 26.

Respective responsibilities of trustees and examiner

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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities 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 material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Jim Dodds
33 The Glebe
Morpeth
Northumberland
NE61 6HW
Date: 24 November 2025



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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<u>Income from:</u>					
Donations and legacies	6	1,298	-	1,298	490
Charitable activities					
Income from grants	7	37,600	800,251	837,851	845,972
Other trading activities	8	114,535	-	114,535	97,507
Investments	9	664	-	664	490
Total income		154,097	800,251	954,348	944,459
<u>Expenditure on:</u>					
Charitable activities					
Operation of the charity	11	276,355	668,408	944,763	891,849
Total expenditure		276,355	668,408	944,763	891,849
Net movement of funds		(122,258)	131,843	9,585	52,610
<u>Reconciliation of funds</u>					
Total funds brought forward		398,770	16,136	414,906	362,296
Total funds carried forward		276,512	147,979	424,491	414,906

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 16 to 26 form an integral part of these accounts.

BALANCE SHEET

As at 31 March 2025

	Notes	£	Total 2025 £	£	Total 2024 £
<u>Current assets</u>					
Debtors	19	128,021		94,384	
Cash at bank and in hand	20	382,684		387,315	
Total current assets		510,705		481,699	
Creditors: amounts falling due within one year	21	(86,214)		(66,793)	
Net current assets			424,491		414,906
Total assets less current liabilities			424,491		414,906
Total net assets or liabilities			424,491		414,906
<u>Funds of the charity</u>					
Unrestricted income funds			276,512		298,770
Designated income funds			-		100,000
Restricted income funds			147,979		16,136
Total funds			424,491		414,906

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

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

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

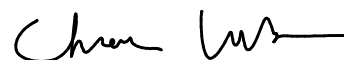
These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

The notes on pages 16 to 26 form an integral part of these accounts.

These financial statements were approved by the Board on: 20 November 2025

and are signed on its behalf by:

Charles Whittle
Chair



STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 £	2024 £
<u>Cash flows from operating activities</u>			
Net movement in funds		9,585	52,610
Investment income		(664)	(490)
Increase in trade receivables		(33,637)	(14,253)
Decrease in trade payables		(80,579)	(67,589)
Increase in deferred income		100,000	-
<i>Cash generated from operations</i>		(5,295)	(29,722)
<u>Cash flow from investing activities</u>			
Interest received		664	490
<i>Net cash from investing activities</i>		664	490
 Decrease in cash and cash equivalents		(4,631)	(29,232)
Cash and cash equivalents at start of year		387,315	416,547
Cash and cash equivalents at end of year		382,684	387,315

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 26 form an integral part of these accounts.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1 Accounting Policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These 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 accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

North East Law Centre meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £276,512 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity for the next 12 to 18 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability.

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

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

Income received in advance or provision of other specified service is deferred until the criteria of income recognition are met.

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3.4 Donated goods and services

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided that the value of the gift can be measured reliably. Donated services and facilities that are consumed immediately are recognised as income with the equivalent amount recognised as an expense under the appropriate heading in the SoFA.

3.5 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.6 Interest receivable

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

3.7 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.8 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investment and any gain or loss resulting from revaluing investments to market value at the end of the year.

3.9 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charities' work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of providing legal advice and other activities undertaken to further the purposes of the charity and their associated support costs.

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4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

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

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	Straight line over five years
-------------------------------	-------------------------------

5.2 Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments.

NORTH EAST LAW CENTRE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
6 Donations and legacies				
Donations from individuals	1,298	-	1,298	490
	<u>1,298</u>	<u>-</u>	<u>1,298</u>	<u>490</u>

7 Income from charitable activitiesIncome from grants

The National Lottery Community Fund - RC North East and Cumbria Region	-	92,299	92,299	97,315
EU Settlement Scheme	-	33,280	33,280	57,643
Legal Education Foundation	-	41,932	41,932	36,931
Lloyds Bank Foundation for England and Wales	-	-	-	-
NEFlows Project	-	72,215	72,215	72,216
Northumbria Police & Crime Commissioner	-	69,131	69,131	70,705
The Barbour Foundation	32,600	-	32,600	-
The Tudor Trust	-	33,000	33,000	33,000
William Trust	-	-	-	-
AB Charitable Trust	-	26,000	26,000	22,000
LSLIP	-	-	-	-
Improving Lives Through Advice (ILTA)	-	100,000	100,000	100,000
Help Accessing Legal Support Grant	-	-	-	44,485
Improving Outcomes Through Legal Support	-	115,993	115,993	84,007
Justice Together Initiative	4,000	172,181	176,181	211,290
Newcastle Fund	-	25,000	25,000	-
Transition to eVisa Support	-	19,220	19,220	-
Mea Trust Grant	-	-	-	2,880
Hadrian Trust	-	-	-	1,000
Community Foundation	-	-	-	10,000
Joicey Trust	-	-	-	2,500
Civic Power Fund	1,000	-	1,000	-
	<u>37,600</u>	<u>800,251</u>	<u>837,851</u>	<u>845,972</u>

8 Other trading activities

Paid for legal advice	33,839	-	33,839	25,252
Fundraising events	-	-	-	570
Mentoring support	2,038	-	2,038	-
Other income	6,257	-	6,257	-

Income from contracts

Legal Aid Agency	37,211	-	37,211	37,099
Syrian Resettlement Programme	35,190	-	35,190	34,586
	<u>114,535</u>	<u>-</u>	<u>114,535</u>	<u>97,507</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

Analysis of income continued

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
9 Income from investments				
Bank interest	664	-	664	490
	<u>664</u>	<u>-</u>	<u>664</u>	<u>490</u>

Income was £954,348 (2024: £944,459) of which £154,097 was unrestricted or designated (2024: £213,867) and £800,251 was restricted (2024: £730,592).

10 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Charitable activities	177,021	620,374	797,395	770,714
Support costs	99,334	48,034	147,368	121,135
	<u>276,355</u>	<u>668,408</u>	<u>944,763</u>	<u>891,849</u>

Expenditure on charitable activities was £944,763 (2024: £891,849) of which £276,355 was unrestricted or designated (2024: £115,819) and £668,408 was restricted (2024: £776,030).

	Activity Undertaken Directly £	Activity Support Costs £	Total 2025 £	Total 2024 £
Charitable activities	797,395	144,522	941,917	890,014
Governance costs	2,846	-	2,846	1,835
	<u>800,241</u>	<u>144,522</u>	<u>944,763</u>	<u>891,849</u>

11 Analysis of support costs and governance

	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
<u>Support costs</u>				
Premises costs	14,289	22,821	37,110	44,205
Equipment leasing	5,559	3,505	9,064	4,441
Project specific costs and IT costs	27,431	10,351	37,782	21,029
Bank charges	831	-	831	929
Other support costs	5,977	3,396	9,373	21,577
Legal, professional and consultancy costs	41,870	7,961	49,831	27,119
Fundraising	531	-	531	-
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	2,100	-	2,100	1,835
Other governance costs	746	-	746	-
	<u>99,334</u>	<u>48,034</u>	<u>147,368</u>	<u>121,135</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

11 *Analysis of support costs and governance continued*

The charity allocates costs directly to activities as far as possible, then identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year.

12 Fees for examination of the accounts

	2025 £	2024 £
Independent examiner's fees for reporting on the accounts	2,100	1,835
	<u>2,100</u>	<u>1,835</u>
There were no other fees paid to the examiner (2024: £nil)		

13 Analysis of staff costs, and the cost of key management personnel

	2025 £	2024 £
Salaries and wages	618,287	564,867
Social security costs	53,080	54,465
Pension costs (defined contribution pension plan)	43,832	40,405
	<u>715,199</u>	<u>659,737</u>

One employee received remuneration between £60,000 and £70,000 (2024: One employee)

The key management personnel of the charity, comprise the trustees and senior management. The total employee benefits of the key management personnel of the charity were £164,558 (2024: £160,650).

14 Staff Numbers

The average monthly head count was 24 staff (2024: 21 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2025 Number	2024 Number
The parts of the charity in which the employees work:		
Charitable activities	20.6	19.0
	<u>20.6</u>	<u>19.0</u>

15 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There has been no related party transactions in the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

16 Pension commitments

Defined contribution pension scheme

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

The employer's pension costs represent contributions payable by the charity to the fund and amount to £27,577 (2024: £24,922). There was £4,456 outstanding as at 31 March 2025 (2024: £3,764).

Defined benefit pension schemes

Tyne and Wear Pension Fund

North East Law Centre staff participated in the Tyne and Wear Pension Fund, which has now been closed. This is a multi-employer defined benefit scheme.

The scheme is accounted for as a defined contribution scheme as the future service accrual contribution rate is assessed on a "grouped" basis and therefore it is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers. The amount recognised as an expense in the period was £16,255 (2024: £15,483). There were 1 (2024: 1) employee participating in the scheme during the year.

An amount of £nil (2024: £nil) was outstanding at the year end.

There is an agreement in place with Newcastle City Council which guarantees they will pay any deficit that may arise on the termination of the pension scheme.

17 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

18 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
Balance brought forward	7,555	7,555
Additions	-	-
Balance carried forward	7,555	7,555
Depreciation		
Basis	SL	
Rate	20%	
Balance brought forward	7,555	7,555
Depreciation charge for year	-	-
Balance carried forward	7,555	7,555
Net book value		
Brought forward	-	-
Carried forward	-	-

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

19 Debtors and prepayments (receivable within 1 year)

	2025 £	2024 £
Trade debtors	116,589	83,046
Prepayments	11,432	11,338
	128,021	94,384

20 Cash at bank and in hand

	2025 £	2024 £
Cash at bank and in hand	382,684	387,315
	382,684	387,315

21 Creditors and accruals (payable within 1 year)

	2025 £	2024 £
Trade creditors	28,600	42,423
Taxation and social security	14,530	12,552
Pension	4,456	3,764
Accruals		
Independent examination of accounts	2,100	1,835
Other creditors	36,528	6,219
	86,214	66,793

Other creditors £36,528 (2024 - £6,219) payable to other partners subject to a funding agreement for which North East Law Centre is acting as agent. The total amount received as agent and subsequently not reflected in the accounts totalled £165,275 (2024 - £75,140). Of this £134,966 (2024 - £192,456) was paid over to the respective partners.

22 Obligations under leases and hire purchase contracts**Operating lease commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2025 £	2024 £
Land and Buildings		
Within one year	20,000	20,000
Between one and five years	37,500	57,500
	57,500	77,500
Other		
Within one year	-	2,040
	-	2,040

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

23 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

24 Analysis of charitable funds**Analysis of movements in unrestricted funds**

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Unrestricted funds					
General unrestricted fund	298,770	154,097	(176,355)	-	276,512
Designated funds					
Improving Lives Through Advice (ILTA)	100,000	-	(100,000)	-	-
Totals	398,770	154,097	(276,355)	-	276,512

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' of the charity.

Designated funds

Improving Lives Through Advice (ILTA) Funds received in March 2024 to be used from 1 April 2024.

Analysis of movement in restricted funds

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Restricted funds					
A B Charitable Trust	-	26,000	(15,000)	-	11,000
Northumbria Police & Crime Commissioner	-	69,131	(69,131)	-	-
Legal Education Foundation	-	41,932	(41,932)	-	-
EU Settlement Scheme	-	33,280	(33,280)	-	-
NEFlows Project	-	72,215	(72,215)	-	-
The Tudor Trust	-	33,000	(15,000)	-	18,000
Justice Together Initiative	16,136	172,181	(188,317)	-	-
Improving Outcomes through Legal Support IOTLS	-	115,993	(115,993)	-	-
Newcastle Fund	-	25,000	(25,000)	-	-
The National Lottery Community Fund - RC North East and Cumbria Region	-	92,299	(73,320)	-	18,979
Improving Lives Through Advice (ILTA)	-	100,000	-	-	100,000
Transition to eVisa Support	-	19,220	(19,220)	-	-
Totals	16,136	800,251	(668,408)	-	147,979

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

24 Analysis of charitable funds continued

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

A B Charitable Trust	Business Support Administrator salary costs.
Northumbria Police & Crime Commissioner	Supporting Victims Funding is specifically targeted at victims of crime. Victims are given access to our advice and support services in the relevant areas of law.
Legal Education Foundation	Contribution to the salary costs of a trainee solicitor and supervision under The Fellowship Scheme.
EU Settlement Scheme	Delivery of the LCN EUSS Complex Case Project.
NEFlows Project	Delivery of the FLOWS legal advice and support.
The Tudor Trust	Contribution towards the salary cost of the charity's centre director.
Justice Together Initiative	Salary costs for immigration specialist advisers, senior solicitor, relationship manager and a pro rata contribution for Business Support, Finance, Management and core costs.
Improving Outcomes through Legal Support IOTLS	Specialist intervention for support with appeals/ hearings to enable beneficiaries to navigate the judicial process and progress effectively through the HM Courts and Tribunals Service.
Newcastle Fund	Working in partnership with Family Hubs in Newcastle, to ensure that parents have access to specialist family law advice as the compliment to mediation services, and crucially support the Family Hubs.
The National Lottery Community Fund - RC North East and Cumbria Region	Information, assistance and legal advice to families and individuals who are experiencing crisis and hardship and are unable to engage with support services.
Improving Lives Through Advice (ILTA)	To improve the advice given to marginalised communities to help them identify, understand and resolve their legal problems.
Transition to eVisa Support	Grant funding to directly support extant leave holders in the UK when transitioning from a physical immigration document to an eVisa.

25 Capital commitments

As at 31 March 2025, the charity had no capital commitments (2024 -£nil).

26 Analysis of net assets between funds 2025.

	Unrestricted Funds £	Designated funds £	Restricted Funds £	Total 2025 £
Cash at bank and in hand	234,705	-	147,979	382,684
Other net current assets/(liabilities)	41,807	-	-	41,807
	276,512	-	147,979	424,491

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For the year ended 31 March 2025

Analysis of net assets between funds 2024.

	Unrestricted Funds £	Designated funds £	Restricted Funds £	Total 2024 £
Cash at bank and in hand	271,179	100,000	16,136	387,315
Other net current assets/(liabilities)	27,591	-	-	27,591
	<u>298,770</u>	<u>100,000</u>	<u>16,136</u>	<u>414,906</u>