# South Wales Law Centre

England & Wales · Charity number 1140949

## Details

| | |
|---|---|
| **Other names** | ACTION IN THE COMMUNITY TRUST, FIRSTFRUITS, SPEAKEASY ADVICE CENTRE, THE JUNCTION, THE SPEAKEASY ADVICE CENTRE, Speakeasy Law Centre |
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 07550894 |
| **Registered** | 2011-03-18 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Speakeasy Law Centre<br>166 Richmond Road<br>Cardiff<br>CF24 3BX |
| **Phone** | 02920453111 |
| **Email** | warren.palmer@speakeasy.cymru |
| **Website** | www.speakeasy.cymru |

## Activities

**Objects:** THE PROMOTION OF ANY CHARITABLE PURPOSE FOR THE BENEFIT OF THE COMMUNITY OF SOUTH WALES BY THE ADVANCEMENT OF EDUCATION, THE PROTECTION OF HEALTH AND THE RELIEF OF POVERTY, SICKNESS AND DISTRESS.

**Activities:** The South Wales Law Centre, t/a The Speakeasy Law Centre, aims to relieve poverty and distress in S Wales. The Speakeasy Law Centre provides free legal advice regarding debts and problems with welfare benefits, housing and employment.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups, The General Public/mankind

Downloaded from opencharities.uk/ew/1140949

## Geography

- **Area of benefit:** CARDIFFBLAENAU GWENTRHONDDA CYNON TAFFMERTHYR TYDFIL
- Cardiff
- Vale Of Glamorgan

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £298,919 | £333,461 | - | - |
| 2024-03-31 | £293,759 | £316,500 | - | - |
| 2023-03-31 | £347,434 | £357,951 | - | - |
| 2022-03-31 | £371,084 | £338,969 | - | - |
| 2021-03-31 | £441,228 | £373,275 | - | - |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| CHRISTINA JOY KIO-BENNETT | | 2023-02-10 |
| DAVID HORTON | | 2020-06-12 |
| JOHN HARRINGTON LOOSEMORE | | 2011-04-01 |
| MADELINE ROSE REES | | 2023-02-10 |
| Nkini Pulei | | 2016-06-23 |

Downloaded from opencharities.uk/ew/1140949

**South Wales Law Centre**

England & Wales - Charity number 1140949

# Accounts

Canolfan Gyfraith Speakeasy Law Centre

# South Wales Law Centre Ltd

t/a "Speakeasy Law Centre"

# Annual Report and Accounts

For the Year to 31 March 2025

# Contents


| | |
|---|---|
| Charity Information | 2 |
| Report of the Trustees | 3 - 7 |
| Report of the Independent Examiner | 8 |
| Statement of Financial Activities | 9 |
| Balance Sheet | 10 |
| Notes to the Accounts | 11 - 20 |

# Charity Information

| | |
|---|---|
| Charity Name: | South Wales Law Centre Ltd |
| Working Names: | Speakeasy Law Centre |
| Registered Numbers: | Company Number: 7550894<br>Charity Number: 1140949 |
| Registered Office: | 166 Richmond Road<br>Cardiff<br>CF24 3BX |
| Website address: | www.speakeasy.cymru |
| Trustees: | Norman Adams (Resigned 13th September 2024)<br>John Loosemore<br>Nkini Pulei<br>Steve Williams<br>David Horton<br>Rebecca Jane Matyus (Resigned 5th March 2025)<br>Christina Kio-Bennett<br>Madeline Rees<br>Joseph Kelly (Appointed 2nd May 2025) |
| Centre Director: | Warren Palmer |
| Independent Examiner: | Steve Ellum<br>Steve Ellum & Associates Ltd<br>Chartered Accountants<br>Adulum House<br>Glan Yr Afon<br>Llanelli<br>SA15 3QB |
| Bankers: | The Co-Operative Bank plc<br>PO Box 250<br>Delf House<br>South Way<br>Skelmersdale<br>WN8 6WT<br><br>Metro Bank<br>One Southampton Row<br>London<br>WC1B 5HA |

# Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2025

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

## Objectives and activities

*As laid out in its governing document the charity exists for*

The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre has provided free legal advice for more than 30 years to some of the most vulnerable people within the community. We are currently the only Law Centre in Wales.

We are unique in Wales in being the only not-for-profit agency that employs solicitors for each of Debt, Housing, Welfare Benefits and Employment problems. We are also the only not-for-profit organisation in Wales that regularly provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

## Achievements and Performance

### Helping those in financial need

Our goal is to provide early, easily accessible advice within our local communities. Clients can contact us at our main office in Roath, which is highly visible and on the main bus routes in the east of the city and in outreach clinics at community venues.

We also work closely with Glenwood Food Pantry, providing a drop-in clinic each Friday at Glenwood Church and Wellbeing Centre when the Pantry is open.

Clients therefore contact us by phone, email, through our website, by attending our office or through support workers.

We work closely with Citizens Advice, Cardiff and Vale, both under the Welsh Government's Single Advice Fund and Cardiff Council funding. We also work closely with the Public Law Project's Wales Lawyer and the LGBTQ+ Law Clinic, while support workers from Salvation Army, Pobl, Cardiff Council and other organisations regularly refer their clients to us. This means that clients are able to access a holistic service across different agencies.

### Some statistics

Over the course of the year, we helped clients with 1,112 cases and enquiries: 289 with debt problems, 241 for housing issues, 336 with welfare benefit enquiries or appeals, 169 dealing with employment problems, with another 72 people seen who needed a food voucher and 5 for Statutory Declarations.

More than £417,000 of debt was written off for clients as a result of our work this year, while we helped clients manage a further £548,300 through advice and renegotiation. We also helped our clients gain an extra £635,081 of welfare benefits this year.

### Cases

Housing remains a critical issue in Wales, with far more need for secure and affordable housing than is available. We advise and help many people each year who are faced with homelessness and need to apply to the local authority for help. With such pressure on resources, at times vulnerable people and families are refused help or offered inappropriate accommodation. In such cases, we help them ask the Council to review the offer of accommodation so that their particular needs are considered.

Other times, there are ongoing problems with disrepair and sub-standard housing, both in the social and private sectors. Again, we can advise the client, help them involve environmental health and negotiate with the landlord or agents.

One notable outcome from our employment law advice was negotiating a financial settlement for a client with autism, who had been dismissed after several years. Our benefits team represented several clients at Tribunals this year, appealing successfully large benefit overpayment decisions and achieving large arrears payments for clients.

We continue to run a very popular pro bono clinic with local solicitors and law students. We connect solicitors from local firms to people across South Wales in need of employment law advice, with law students gaining experience by helping set up the meetings and observing the solicitors give advice.

## Achievements and Performance (continued)

### Employing and Training a new generation of social welfare lawyers

The Speakeasy Law Centre has a unique role in training social welfare lawyers in Wales. The only third sector organisation in Wales to provide solicitor training contracts, we have provided training for 20 trainee solicitors in all since we opened in 1992 and 12 since 2013.

We are grateful to the Legal Education Foundation for providing grants for the training of several of these solicitors.

Of those we have trained over the years, many continue to work at the Speakeasy Law Centre or with other third sector organisations, while others go on to public service roles such as the Welsh Government Legal Service, HM Courts and Tribunals Service, the NHS Legal team and S4C.

### The Speakeasy Law Centre's role in Wales and South-East Wales

This year, the Centre Director continued to be involved in the National Advice Network. This is a group selected by the Welsh Government Minister, Jane Hutt, to advise the Welsh Government on its strategy for the promotion and support of free legal advice in Wales. He is also one of two Third Sector representatives for the Legal Wales Committee, that includes Judges, Barristers, Senior Solicitors and legal academics.

He also continued as a part of a steering group to set up a new law centre in north Wales, acting as consultant and making his experience of the advice sector in Wales and of running a law centre here available to the new Trustees.

### Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued.

### Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

## Structure, Governance and Management

### Governing document

South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

### Recruitment and appointment of trustees

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

### Induction and training of trustees

The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

## Financial Review

### Results

Net expenditure for the year amounted to £34,542 (2024: £22,741). Unrestricted funds, including unencumbered freehold premises, carried forward at the year-end were £427,521 (2024: £462,063). Restricted funds carried forward at the year-end were £nil (2024: £nil).

### Designated Funds

At the time of the pandemic, we recognised that more people than ever would need our help, but that future funding would be uncertain. We therefore took the decision, each year since 2020, to designate certain funds for specific advice provision the following year, thereby assuring continuity of service provision.

This year, with more longer term funding becoming available, we have decided not to designate funds for the forthcoming year.

### Reserves policy

The Speakeasy Law Centre aims to hold reserves equivalent to four to six months' expenditure (approx.£111k to £167k). It also owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year-end were £121,660 (2024: £153,275).

**Income Sources**

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors. We are grateful to the following organisations for grants this year:

- Access to Justice Foundation
- AB Charitable Trust
- Allen & Overy Shearman Foundation
- Eleanor Rathbone
- Cardiff County Council
- Legal Educational Foundation
- Welsh Government Single Advice Fund
- The Henry Smith Charity
- Independent Age
- 1910 Trust
- The National Lottery Community Fund
- Civic Power Fund

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

## Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. 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 prudent and reasonable
- State where 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 charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 3rd October 2025

**John Loosemore**
Chair of Trustees

**Steve Williams**
Treasurer

# Independent Examiner's Report
# To the Members of South Wales Law Centre
# For the Year to 31 March 2025

**Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.**

I report on the accounts of South Wales Law Centre for the year ended 31 March 2025 set out on pages 3 to 20.

**Responsibilities and basis of report**

As the charity's trustees of the company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- 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 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.



.....

**Steve Ellum**
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 10th October 2025

# Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2025

| | Notes | Unrestricted Funds General 2025 £ | Unrestricted Funds Designated 2025 £ | Restricted Funds 2025 £ | Total 2025 £ | Total 2024 £ |
|---|---|---|---|---|---|---|
| **Income from:** | | | | | | |
| **Donations and legacies** | 3 | 21,733 | - | - | 21,733 | 19,411 |
| **Charitable activities** | 5 | 32,800 | - | 239,353 | 272,153 | 269,841 |
| **Investments** | | 3,165 | - | - | 3,165 | 672 |
| **Other** | 6 | 1,868 | - | - | 1,868 | 3,835 |
| **Total Income** | | 59,566 | - | 239,353 | 298,919 | 293,759 |
| **Expenditure on:** | | | | | | |
| **Raising Funds** | 7 | 19,697 | - | - | 19,697 | 14,108 |
| **Charitable activities** | 8 | 74,411 | - | 239,353 | 313,764 | 302,392 |
| **Total Expenditure** | | 94,108 | - | 239,353 | 333,461 | 316,500 |
| **Net income/(expenditure)** | | | | | | |
| **Net movement in funds** | | (34,542) | - | - | (34,542) | (22,741) |
| **Reconciliation of Funds** | | | | | | |
| Total funds brought forward | | 462,063 | - | - | 462,063 | 484,804 |
| **Total funds carried forward** | | 427,521 | - | - | 427,521 | 462,063 |

The notes on pages 11 to 20 form part of these financial statements.

# Balance Sheet
# at 31 March 2025

| | Notes | 2025 £ | 2025 £ | 2024 £ | 2024 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | | 305,861 | | 308,788 |
| **Total fixed assets** | | | 305,861 | | 308,788 |
| **Current assets** | | | | | |
| Debtors | 12 | 4,929 | | 113 | |
| Cash at bank and in hand | | 140,178 | | 165,568 | |
| | | 145,107 | | 165,681 | |
| Creditors: Amounts falling due within one year | 13 | (23,447) | | (12,406) | |
| **Net current assets** | | | 121,660 | | 153,275 |
| **Total assets less current liabilities** | | | 427,521 | | 462,063 |
| **Net assets** | | | 427,521 | | 462,063 |
| **Represented by:** | | | | | |
| Unrestricted funds | 14 | | 427,521 | | 462,063 |
| Restricted funds | 15 | | - | | - |
| | | | 427,521 | | 462,063 |

For the 12 months ending 31 March 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

These financial statements were approved and authorised for issue by the trustees on 3rd October 2025 and signed on their behalf by:

**John Loosemore**
Chair of Trustees

**Steve Williams**
Treasurer

Company Number: 7550894

## Notes to the Accounts for the year ended 31 March 2025

### 1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether "capital" 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 reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

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.

**Notes to the Accounts for the year ended 31 March 2025**

## 1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

*Raising Funds* represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

*Charitable activities* represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

*Governance* represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

*Support costs* are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

## 1.4 Fund accounting

The charity maintains various types of funds as follows:

*General unrestricted funds* represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

*Restricted funds* represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

## 1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|---|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of these costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

## Notes to the Accounts for the year ended 31 March 2025

### 1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

### 1.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

### 2 Net income / (expenditure)

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 2,927 | 2,927 |
| Independent Examiners Fee | 1,152 | 1,512 |

### 3 Donations and Legacies

| | Unrestricted General Funds 2025<br>£ | Unrestricted Designated Funds 2025<br>£ | Total Funds 2025<br>£ | Total Funds 2024<br>£ |
|---|---|---|---|---|
| Regular Donations | 12,176 | - | 12,176 | 10,764 |
| Ad-Hoc Donations | 6,590 | - | 6,590 | 5,837 |
| Tax Reclaimed | 2,967 | - | 2,967 | 2,810 |
| | 21,733 | - | 21,733 | 19,411 |

All donations received in 2023-24 were unrestricted general fund donations.

### 4 Total income

| | Total 2025<br>£ | Total 2024<br>£ |
|---|---|---|
| Donations and legacies | 21,733 | 19,411 |
| Grants from local authorities and trusts | 272,153 | 269,841 |
| Investments | 3,165 | 672 |
| Other income | 1,868 | 3,835 |
| | 298,919 | 293,759 |

**Notes to the Accounts for the year ended 31 March 2025**

## 5 Income from charitable activities

| | Unrestricted General funds £ | Restricted funds £ | Total 2025 £ | Total 2024 £ |
|---|---|---|---|---|
| Access to Justice Foundation | 4,000 | - | 4,000 | 30,968 |
| AB Charitable Trust | 22,000 | - | 22,000 | 22,000 |
| Allen & Overy Shearman Foundation | 5,000 | - | 5,000 | 7,500 |
| The Mary Homfray Charitable Trust | - | - | - | 5,000 |
| Garfield Weston Foundation | - | - | - | 20,000 |
| WCVA | - | - | - | 1,000 |
| Local Authority Grants (Cardiff County Council) | - | 52,500 | 52,500 | 60,000 |
| Legal Educational Foundation | - | 23,785 | 23,785 | 31,551 |
| Welsh Government Single Advice Fund | - | 72,072 | 72,072 | 72,072 |
| The Henry Smith Charity | - | 40,000 | 40,000 | 19,750 |
| Independent Age | - | 31,556 | 31,556 | - |
| 1910 Trust | 800 | - | 800 | - |
| The National Lottery Community Fund | - | 19,440 | 19,440 | - |
| Civic Power Fund | 1,000 | - | 1,000 | - |
| | 32,800 | 239,353 | 272,153 | 269,841 |

## 6 Other Income

| | Unrestricted General Funds 2025 £ | Total Funds 2025 £ | Total Funds 2024 £ |
|---|---|---|---|
| Rents received | 1,800 | 1,800 | 1,800 |
| Secondment Fees | - | - | 1,925 |
| Other | 68 | 68 | 110 |
| | 1,868 | 1,868 | 3,835 |

## 7 Costs of raising funds

| | Unrestricted Total Funds 2025 £ | Unrestricted Total Funds 2024 £ |
|---|---|---|
| Fundraising | 19,697 | 14,108 |

Costs of raising funds includes employment costs of £17,395 (2024: £12,079).

**Notes to the Accounts for the year ended 31 March 2025**

## 8 Cost of charitable activities – by fund type

| | Unrestricted General funds 2025 £ | Unrestricted Designated funds 2025 £ | Restricted funds 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---|---|---|---|---|---|
| Provision of legal advice | 74,411 | - | 239,353 | 313,764 | 302,392 |

## 9 Cost of charitable activities – by activity

| | Activities undertaken 2025 £ | Support costs 2025 £ | Total funds 2025 £ | Total funds 2024 £ |
|---|---|---|---|---|
| Provision of legal advice | 277,129 | 36,635 | 313,764 | 302,392 |

Activities undertaken directly include employment costs of £268,806 (2024: £252,781). Support costs consist of office costs, travel costs and depreciation and include governance costs of £4,300 (2024: £4,100).

**Notes to the Accounts for the year ended 31 March 2025**

## 10 Staff numbers and cost

Employment costs

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| Wages and salaries | 262,278 | 243,470 |
| Social security costs | 17,712 | 14,957 |
| Pension costs | 6,362 | 6,433 |
| | 286,352 | 264,860 |

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

| | 2025 | 2024 |
|---|---|---|
| Charitable Activities | 11 | 10 |
| Administration | 1 | 1 |
| | 12 | 11 |

No staff member was paid more than £60,000 in the financial year.

No trustee received any remuneration or payment of expenses during the year (2024: none).

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £53,863 (2024: £51,671).

## Notes to the Accounts for the year ended 31 March 2025

### 11 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|---|---|---|---|
| **Cost** | | | |
| At 1 April 2024 | 346,393 | 22,179 | 368,572 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 March 2025 | 346,393 | 22,179 | 368,572 |
| **Depreciation** | | | |
| At 1 April 2024 | 37,605 | 22,179 | 59,784 |
| Charge for the year | 2,927 | - | 2,927 |
| Disposals | - | - | - |
| At 31 March 2025 | 40,532 | 22,179 | 62,711 |
| **Net Book Value** | | | |
| At 31 March 2025 | 305,861 | - | 305,861 |
| At 31 March 2024 | 308,788 | - | 308,788 |

### 12 Debtors

| | 2025 £ | 2024 £ |
|---|---|---|
| Trade debtors | 300 | - |
| Prepayments and accrued income | 4,508 | - |
| Other debtors | 121 | 113 |
| | 4,929 | 113 |

### 13 Creditors: Amounts falling due within one year

| | 2025 £ | 2024 £ |
|---|---|---|
| Trade creditors | 569 | 4,804 |
| Other taxes and social security | 5,089 | 4,854 |
| Accruals and deferred income | 16,352 | 1,512 |
| Other creditors | 1,437 | 1,236 |
| | 23,447 | 12,406 |

Included in Accruals is deferred income of £15,200 (2024: £nil) which relates to activities taking place after the year end.

**Notes to the Accounts for the year ended 31 March 2025**

## 14 Unrestricted funds

| | Balance at 1 Apr 2024 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2025 £ |
|---|---|---|---|---|---|
| General funds | 462,063 | 59,566 | (94,108) | - | 427,521 |
| Designated Funds | - | - | - | - | - |
| | 462,063 | 59,566 | (94,108) | - | 427,521 |

Certain funds for specific advice provision have been designated in previous years, thereby assuring continuity of service provision.

In 2023-24, with more longer-term funding becoming available, it was decided to no longer designate funds

## 15 Restricted funds

| | Balance at 1 Apr 2024 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2025 £ |
|---|---|---|---|---|---|
| Legal Educational Foundation | - | 23,785 | (23,785) | - | - |
| The Henry Smith Charity | - | 40,000 | (40,000) | - | - |
| Welsh Government Single Advice Fund | - | 72,072 | (72,072) | - | - |
| Cardiff County Council | - | 52,500 | (52,500) | - | - |
| Independent Age | - | 31,556 | (31,556) | - | - |
| The National Lottery Community Fund | - | 19,440 | (19,440) | - | - |
| | - | 239,353 | (239,353) | - | - |

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Henry Smith Charity** grant was to fund a social welfare legal adviser for 3 years.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

The **Local Authority Grants (Cardiff County Council)** was to provide free debt and welfare benefits advice.

The **Independent Age** funding is to provide specialist legal advice to older people in Cardiff.

The **National Lottery Community Fund** grant is for specialist debt and benefits advice to the people of Cardiff.

## Notes to the Accounts for the year ended 31 March 2025

### 16 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2025 £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Tangible assets | 305,861 | - | 305,861 | 308,788 |
| Cash at bank and in hand | 140,178 | - | 140,178 | 165,568 |
| Other net current assets/ (liabilities) | (18,518) | - | (18,518) | (12,293) |
| | 427,521 | - | 427,521 | 462,063 |

### 17 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 18 Related parties

Glenwood Church is related party as Norman Adams served as trustee of the South Wales Law Centre during the financial year. During the year invoices were raised by the charity to Glenwood Church of £nil (2024: £1,925). At the end of the year Glenwood Church owed the charity £nil (2024: £nil).

The total amount of donations received during the year from related parties was £1,100 (2024: £1,679).

### 19 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

### 20 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**Notes to the Accounts for the year ended 31 March 2025**

**21 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2024**

| | Unrestricted Funds | | Restricted | |
|---|---|---|---|---|
| | General 2024 | Designated 2024 | Funds 2024 | Total 2024 |
| | | £ | £ | £ |
| **Income from:** | | | | |
| **Donations and legacies** | 19,411 | - | - | 19,411 |
| **Charitable activities** | 85,468 | - | 184,373 | 269,841 |
| **Investments** | 672 | - | - | 672 |
| **Other** | 3,835 | - | - | 3,835 |
| **Total Income** | 109,386 | - | 184,373 | 293,759 |
| **Expenditure on:** | | | | |
| **Raising Funds** | 14,108 | - | - | 14,108 |
| **Charitable activities** | 93,790 | 24,229 | 184,373 | 302,392 |
| **Total Expenditure** | 107,898 | 24,229 | 184,373 | 316,500 |
| **Net income/ Net movement in funds** | 1,488) | (24,229) | - | (22,741) |
| **Reconciliation of Funds** | | | | |
| Total funds brought forward | 460,575 | 24,229 | - | 484,804 |
| **Total funds carried forward** | 462,063 | - | - | 462,063 |

**South Wales Law Centre**

England & Wales - Charity number 1140949

# Accounts

Canolfan Gyfraith Speakeasy Law Centre

# South Wales Law Centre Ltd

t/a "Speakeasy Law Centre"

# Annual Report and Accounts

For the Year to 31 March 2024

# Contents


| | |
|---|---|
| Charity Information | 2 |
| Report of the Trustees | 3 - 7 |
| Report of the Independent Examiner | 8 |
| Statement of Financial Activities | 9 |
| Balance Sheet | 10 |
| Notes to the Accounts | 11 - 20 |

# Charity Information

| | |
|---|---|
| Charity Name: | South Wales Law Centre Ltd |
| Working Names: | Speakeasy Law Centre |
| Registered Numbers: | Company Number: 7550894<br>Charity Number: 1140949 |
| Registered Office: | 166 Richmond Road<br>Cardiff<br>CF24 3BX |
| Website address: | www.speakeasy.cymru |
| Trustees: | Norman Adams<br>Paul Francis (resigned 16th June 2023)<br>John Loosemore<br>Nkini Pulei<br>Steve Williams<br>David Horton<br>Rebecca Jane Matyus<br>Christina Kio-Bennett<br>Madeline Rees |
| Centre Director: | Warren Palmer |
| Independent Examiner: | Steve Ellum<br>Steve Ellum & Associates Ltd<br>Chartered Accountants<br>Adulum House<br>Glan Yr Afon<br>Llanelli<br>SA15 3QB |
| Bankers: | The Co-Operative Bank plc<br>PO Box 250<br>Delf House<br>South Way<br>Skelmersdale<br>WN8 6WT<br><br>Metro Bank<br>One Southampton Row<br>London<br>WC1B 5HA |

# Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2024

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

## Objectives and activities

*As laid out in its governing document the charity exists for*

The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre has provided free legal advice for more than 30 years to some of the most vulnerable people within the community. We are currently the only Law Centre in Wales.

We are unique in Wales in being the only not-for-profit agency that employs solicitors for each of Debt, Housing, Welfare Benefits and Employment problems. We are also the only not-for-profit organisation in Wales that regularly provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

## Achievements and Performance

### Helping those in financial need

Our goal is to provide early, easily accessible advice within our local communities. Clients can contact us at our main office in Roath, which is highly visible and on the main bus routes in the east of the city, and in outreach clinics at community venues.

We regularly go to where clients are, so those who would not otherwise know about us, can find us at Glenwood Food Pantry, at Oasis in Splott, or at the St Vincent de Paul Centre in Ely Bridge.

Clients can contact us by phone, email, through our website, by attending our office, outreach clinics or through support workers.

We work closely with Citizens Advice, Cardiff and Vale, both under the Welsh Government's Single Advice Fund and Cardiff Council funding. We also work closely with the Public Law Project's Wales Lawyer and the LGBTQ+ Law Clinic, while support workers from Salvation Army, Pobl, Cardiff Council and other organisations regularly refer their clients to us. This means that clients are able to access a holistic service across different agencies.

### Some statistics

Over the course of the year, we helped 1084 clients: 255 with debt problems, 259 for housing issues, 312 with welfare benefit enquiries or appeals, 160 dealing with employment problems, with another 86 people seen who needed a food voucher and 12 for Statutory Declarations.

Overall, £917,000 of debt was written off for clients as a result of our work this year, while we helped clients manage a further £1,949,000 through advice and renegotiation. We also helped our clients gain an extra £238,000 of ongoing welfare benefits this year, with an additional £250,000 in one-off arrears payments.

### Cases

We helped a family to be rehoused, who had been separated for months, with the children living with different family members and the parents taking turns to sofa-surf or sleep in their car. Other families were given permanent accommodation in social housing, or seen disrepair addressed or disputed deposits returned to them.

We have supported clients through Employment Tribunal claims, or to achieve settlements with employers. One client, a driver for a supermarket who was dismissed without good reason, received £12,000 to settle his case.

Many of our clients are appealing adverse disability benefit decisions. Over 90% of our clients are successful on appeal, gaining an average of £95 per week additional benefits and arrears payments of £4,000 or more.

We continue to run a very popular pro bono clinic with local solicitors and law students. We connect solicitors from local firms to people across South Wales in need of employment law advice, with law students gaining experience by helping set up the meetings and observing the solicitors give advice.

## Achievements and Performance (continued)

### Employing and Training a new generation of social welfare lawyers

The Speakeasy Law Centre has a unique role in training social welfare lawyers in Wales. The only third sector organisation in Wales to provide solicitor training contracts, we have trained 17 solicitors in all since we opened in 1992 and an average of 1 per year since 2013.

We are grateful to the Legal Education Foundation for providing grants for the training of several of these solicitors.

This year saw two more solicitors qualify at the Speakeasy: one continues to work with us, specialising in welfare benefits work, while the other has taken on a new role as a Welsh language housing lawyer, advising housing associations in north and west Wales.

Of those we have trained over the years, many continue to work at the Speakeasy Law Centre or with other third sector organisations, while others go on to public service roles: 3 of our current solicitors trained at the Speakeasy Law Centre, another now works for Asylum Justice, while others work for the Welsh Government Legal Service, HM Courts and Tribunals Service and S4C.

### The Speakeasy Law Centre's role in Wales and South-East Wales

This year, the Centre Director continued to be involved in the National Advice Network. This is a group selected by the Welsh Government Minister, Jane Hutt, to advise the Welsh Government on its strategy for the promotion and support of free legal advice in Wales. He is also one of two Third Sector representatives for the Legal Wales Committee, that includes Judges, Barristers, Senior Solicitors and legal academics.

The Centre Director also continued as a part of a steering group to set up a new law centre in north Wales, acting as consultant and making his experience of the advice sector in Wales and of running a law centre here available to the new Trustees.

### Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued.

### Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

## Structure, Governance and Management

### Governing document

South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

### Recruitment and appointment of trustees

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

## Structure, Governance and Management (continued)

**Induction and training of trustees**
The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

## Financial Review

**Results**

Net expenditure for the year amounted to £22,741 (2023: £10,517). Unrestricted funds, including unencumbered freehold premises, carried forward at the year-end were £462,063 (2023: £484,804). Restricted funds carried forward at the year-end were £nil (2023: £nil).

**Designated Funds**

At the time of the pandemic, we recognised that more people than ever would need our help, but that future funding would be uncertain. We therefore took the decision, each year since 2020, to designate certain funds for specific advice provision the following year, thereby assuring continuity of service provision.

This year, with more longer-term funding becoming available, we have decided not to designate funds for the forthcoming year.

**Reserves policy**

The pandemic has shown even more starkly than before the need for charities to have financial resilience, including strong reserves. The Speakeasy Law Centre aims to hold reserves equivalent to four to six months' expenditure (approx.£105k to £158k). It also owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year-end were £153,275 (2023: £148,860).

**Income Sources**

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors. We are grateful to the following organisations for grants this year:

- AB Charitable Trust
- Access to Justice Foundation
- Allen & Overy Foundation
- Cardiff County Council
- Garfield Weston Foundation
- The Henry Smith Charity
- The Legal Education Foundation
- Welsh Government (Single Advice Fund)
- The Mary Homfray Charitable Trust
- WCVA

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

## Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. 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 prudent and reasonable
- State where 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 charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 13th September 2024

**John Loosemore**
Chair of Trustees

**Steve Williams**
Treasurer

# Independent Examiner's Report
# To the Members of South Wales Law Centre
# For the Year to 31 March 2024

**Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.**

I report on the accounts of South Wales Law Centre for the year ended 31 March 2024 set out on pages 3 to 20.

**Responsibilities and basis of report**

As the charity's trustees of the company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

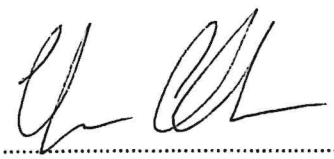
**Independent examiner's statement**

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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- 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 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.



.....

**Steve Ellum**
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 20th Septembe 2024

# Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2024

| | Notes | Unrestricted Funds General 2024 | Unrestricted Funds Designated 2024 | Restricted Funds 2024 | Total 2024 | Total 2023 |
|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ |
| **Income from:** | | | | | | |
| **Donations and legacies** | 3 | 19,411 | - | - | 19,411 | 18,785 |
| **Charitable activities** | 5 | 85,468 | - | 184,373 | 269,841 | 322,973 |
| **Investments** | | 672 | - | - | 672 | 232 |
| **Other** | 6 | 3,835 | - | - | 3,835 | 5,444 |
| **Total Income** | | 109,386 | - | 184,373 | 293,759 | 347,434 |
| **Expenditure on:** | | | | | | |
| **Raising Funds** | 7 | 14,108 | - | - | 14,108 | 11,799 |
| Charitable activities | 8 | 93,790 | 24,229 | 184,373 | 302,392 | 346,152 |
| Total Expenditure | | 107,898 | 24,229 | 184,373 | 316,500 | 357,951 |
| Net income/(expenditure) | | | | | | |
| **Net movement in funds** | | 1,488 | (24,229) | - | (22,741) | (10,517) |
| **Reconciliation of Funds** | | | | | | |
| Total funds brought forward | | 460,575 | 24,229 | - | 484,804 | 495,321 |
| **Total funds carried forward** | | 462,063 | - | - | 462,063 | 484,804 |

The notes on pages 11 to 20 form part of these financial statements.

# Balance Sheet
# at 31 March 2024

| | Notes | 2024 £ | 2024 £ | 2023 £ | 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **11** | | 308,788 | | 311,715 |
| **Total fixed assets** | | | 308,788 | | 311,715 |
| **Current assets** | | | | | |
| Debtors | **12** | 113 | | 1,335 | |
| Cash at bank and in hand | | 165,568 | | 178,776 | |
| | | 165,681 | | 180,111 | |
| Creditors: Amounts falling due within one year | **13** | (12,406) | | (7,022) | |
| **Net current assets** | | | 153,275 | | 173,089 |
| **Total assets less current liabilities** | | | 462,063 | | 484,804 |
| **Net assets** | | | 462,063 | | 484,804 |
| **Represented by:** | | | | | |
| Unrestricted funds | **14** | | 462,063 | | 484,804 |
| Restricted funds | **15** | | - | | - |
| | | | 462,063 | | 484,804 |

For the 12 months ending 31 March 2024, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

These financial statements were approved and authorised for issue by the trustees on 13th September 2024 and signed on their behalf by:

**John Loosemore**
Chair of Trustees

**Steve Williams**
Treasurer

Company Number: 7550894

## Notes to the Accounts for the year ended 31 March 2024

### 1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether "capital" 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 reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

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.

**Notes to the Accounts for the year ended 31 March 2024**

## 1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

*Raising Funds* represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

*Charitable activities* represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

*Governance* represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

*Support costs* are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

## 1.4 Fund accounting

The charity maintains various types of funds as follows:

*General unrestricted funds* represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

*Restricted funds* represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

## 1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|---|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of these costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

**Notes to the Accounts for the year ended 31 March 2024**

**1.6 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

**1.7 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

**2 Net income / (expenditure)**

| | 2024 £ | 2023 £ |
|---|---|---|
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 2,927 | 2,927 |
| Independent Examiners Fee | 1,512 | 1,512 |

**3 Donations and Legacies**

| | Unrestricted General Funds 2024 £ | Unrestricted Designated Funds 2024 £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|---|---|---|---|
| Regular Donations | 10,764 | - | 10,764 | 10,870 |
| Ad-Hoc Donations | 5,837 | - | 5,837 | 5,730 |
| Tax Reclaimed | 2,810 | - | 2,810 | 2,185 |
| | 19,411 | - | 19,411 | 18,785 |

All donations received in 2022-23 were unrestricted designated donations.

**4 Total income**

| | Total 2024 £ | Total 2023 £ |
|---|---|---|
| Donations and legacies | 19,411 | 18,785 |
| Grants from local authorities and trusts | 269,841 | 322,973 |
| Investments | 672 | 232 |
| Other income | 3,835 | 5,444 |
| | 293,759 | 347,434 |

**Notes to the Accounts for the year ended 31 March 2024**

## 5 Income from charitable activities

| | Unrestricted General funds £ | Restricted funds £ | Total 2024 £ | Total 2023 £ |
|---|---|---|---|---|
| Access to Justice Foundation | 30,968 | - | 30,968 | 95,146 |
| AB Charitable Trust | 22,000 | - | 22,000 | 20,000 |
| Allen & Overy Foundation | 7,500 | - | 7,500 | - |
| The Mary Homfray Charitable Trust | 5,000 | - | 5,000 | - |
| Garfield Weston Foundation | 20,000 | - | 20,000 | - |
| WCVA | - | 1,000 | 1,000 | - |
| Local Authority Grants (Cardiff County Council) | - | 60,000 | 60,000 | 70,690 |
| Legal Educational Foundation | - | 31,551 | 31,551 | 35,892 |
| Welsh Government Single Advice Fund | - | 72,072 | 72,072 | 68,640 |
| The Henry Smith Charity | - | 19,750 | 19,750 | - |
| Lloyds Bank Foundation for England and Wales | - | - | - | 27,605 |
| Oakdale Trust | - | - | - | 2,000 |
| Eleanor Rathbone Charitable Trust | - | - | - | 3,000 |
| | 85,468 | 184,373 | 269,841 | 322,973 |

## 6 Other Income

| | Unrestricted General Funds 2024 £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|---|---|---|
| Rents received | 1,800 | 1,800 | 1,785 |
| Secondment Fees | 1,925 | 1,925 | 3,575 |
| Other | 110 | 110 | 84 |
| | 3,835 | 3,835 | 5,444 |

## 7 Costs of raising funds

| | Unrestricted Total Funds 2024 £ | Unrestricted Total Funds 2023 £ |
|---|---|---|
| Fundraising | 14,108 | 11,799 |

Costs of raising funds includes employment costs of £12,079 (2023: £9,842).

**Notes to the Accounts for the year ended 31 March 2024**

## 8 Cost of charitable activities – by fund type

| | Unrestricted General funds 2024 £ | Unrestricted Designated funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|---|---|---|---|---|
| Provision of legal advice | 93,790 | 24,229 | 184,373 | 302,392 | 346,152 |

## 9 Cost of charitable activities – by activity

| | Activities undertaken 2024 £ | Support costs 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|---|---|---|---|
| Provision of legal advice | 259,688 | 42,704 | 302,392 | 346,152 |

Activities undertaken directly include employment costs of £252,781 (2023: £295,344). Support costs consist of office costs, travel costs and depreciation and include governance costs of £4,100 (2023: £3,950).

**Notes to the Accounts for the year ended 31 March 2024**

## 10 Staff numbers and cost

Employment costs

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Wages and salaries | 243,470 | 277,945 |
| Social security costs | 14,957 | 19,877 |
| Pension costs | 6,433 | 7,364 |
| | 264,860 | 305,186 |

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

| | 2024 | 2023 |
|---|---|---|
| Charitable Activities | 10 | 12 |
| Administration | 1 | 1 |
| | 11 | 13 |

No staff member was paid more than £60,000 in the financial year.

No trustee received any remuneration or payment of expenses during the year (2023: none).

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £51,671 (2023: £49,212).

## Notes to the Accounts for the year ended 31 March 2024

### 11 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|---|---|---|---|
| **Cost** | | | |
| At 1 April 2023 | 346,393 | 22,179 | 368,572 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 March 2024 | 346,393 | 22,179 | 368,572 |
| **Depreciation** | | | |
| At 1 April 2023 | 34,678 | 22,179 | 56,857 |
| Charge for the year | 2,927 | - | 2,927 |
| Disposals | - | - | - |
| At 31 March 2024 | 37,605 | 22,179 | 59,784 |
| **Net Book Value** | | | |
| At 31 March 2024 | 308,788 | - | 308,788 |
| At 31 March 2023 | 311,715 | - | 311,715 |

### 12 Debtors

| | 2024 £ | 2023 £ |
|---|---|---|
| Trade debtors | - | 963 |
| Other debtors | 113 | 372 |
| | 113 | 1,335 |

### 13 Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Trade creditors | 4,804 | 317 |
| Other taxes and social security | 4,854 | 3,928 |
| Accruals and deferred income | 1,512 | 1,512 |
| Other creditors | 1,236 | 1,265 |
| | 12,406 | 7,022 |

Included in Accruals is deferred income of £nil (2023: £nil) which relates to activities taking place after the year end.

**Notes to the Accounts for the year ended 31 March 2024**

## 14 Unrestricted funds

| | Balance at 1 Apr 2023 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2024 £ |
|---|---|---|---|---|---|
| General funds | 460,575 | 109,386 | (107,898) | - | 462,063 |
| Designated Funds | 24,229 | - | (24,229) | - | - |
| | 484,804 | 109,386 | (132,127) | - | 462,063 |

Certain funds for specific advice provision have been designated in previous years, thereby assuring continuity of service provision.

This year, with more longer-term funding becoming available, we have decided not to designate funds for the forthcoming year.

## 15 Restricted funds

| | Balance at 1 Apr 2023 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2024 £ |
|---|---|---|---|---|---|
| Legal Educational Foundation | - | 31,551 | (31,551) | - | - |
| The Henry Smith Charity | - | 19,750 | (19,750) | - | - |
| Welsh Government Single Advice Fund | - | 72,072 | (72,072) | - | - |
| Cardiff County Council | - | 60,000 | (60,000) | - | - |
| WCVA | - | 1,000 | (1,000) | - | - |
| | - | 184,373 | (184,373) | - | - |

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Henry Smith Charity** grant was to fund a social welfare legal adviser for 3 years.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

The **Local Authority Grants (Cardiff County Council)** was to provide free debt and welfare benefits advice.

The **WCVA** grant was to fund an energy efficiency audit.

## Notes to the Accounts for the year ended 31 March 2024

### 16 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|---|---|---|---|
| Tangible assets | 308,788 | - | 308,788 | 311,715 |
| Cash at bank and in hand | 165,568 | - | 165,568 | 178,776 |
| Other net current assets/ (liabilities) | (12,293) | - | (12,293) | (5,687) |
| | 462,063 | - | 462,063 | 484,804 |

### 17 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 18 Related parties

Glenwood Church is related party as two of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis and Norman Adams. During the year invoices were raised by the charity to Glenwood Church of £1,925 (2023: £3,575). At the end of the year Glenwood Church owed the charity £nil (2023: £963).

The total amount of donations received during the year from related parties was £1,679 (2023: £422).

### 19 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

### 20 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**Notes to the Accounts for the year ended 31 March 2024**

**21 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2023**

| | Unrestricted Funds | | Restricted | |
|---|---|---|---|---|
| | General 2023 | Designated 2023 | Funds 2023 | Total 2023 |
| | | £ | £ | £ |
| **Income from:** | | | | |
| **Donations and legacies** | - | 18,785 | - | 18,785 |
| **Charitable activities** | 120,146 | - | 202,827 | 322,973 |
| **Investments** | 232 | - | - | 232 |
| **Other** | - | 5,444 | - | 5,444 |
| **Total Income** | 120,378 | 24,229 | 202,827 | 347,434 |
| **Expenditure on:** | | | | |
| **Raising Funds** | 11,799 | - | - | 11,799 |
| **Charitable activities** | 120,468 | 22,857 | 202,827 | 346,152 |
| **Total Expenditure** | 132,267 | 22,857 | 202,827 | 357,951 |
| **Net income/ Net movement in funds** | (11,889) | 1,372 | - | (10,517) |
| **Reconciliation of Funds** | | | | |
| Total funds brought forward | 472,464 | 22,857 | - | 495,321 |
| **Total funds carried forward** | 460,575 | 24,229 | - | 484,804 |

**South Wales Law Centre**

England & Wales - Charity number 1140949

# Accounts

Canolfan Gyfraith Speakeasy Law Centre

# South Wales Law Centre Ltd

t/a "Speakeasy Law Centre"

# Annual Report and Accounts

For the Year to 31 March 2023

# Contents


| | |
|---|---|
| Charity Information | 2 |
| Report of the Trustees | 3 - 7 |
| Report of the Independent Examiner | 8 |
| Statement of Financial Activities | 9 |
| Balance Sheet | 10 |
| Notes to the Accounts | 11 - 20 |

# Charity Information

| | | |
|---|---|---|
| Charity Name: | South Wales Law Centre Ltd | |
| Working Names: | Speakeasy Law Centre | |
| Registered Numbers: | Company Number: 7550894<br>Charity Number: 1140949 | |
| Registered Office: | 166 Richmond Road<br>Cardiff<br>CF24 3BX | |
| Website address: | www.speakeasy.cymru | |
| Trustees: | Norman Adams<br>Paul Francis<br>John Loosemore<br>Nkini Pulei<br>Steve Williams<br>David Horton<br>Rebecca Jane Matyus<br>Christina Kio-Bennett<br>Madeline Rees | <br>(resigned 16th June 2023)<br><br><br><br><br><br>(appointed 10th February 2023)<br>(appointed 10th February 2023) |
| Centre Director: | Warren Palmer | |
| Independent Examiner: | Steve Ellum<br>Steve Ellum & Associates Ltd<br>Chartered Accountants<br>Adulum House<br>Glan Yr Afon<br>Llanelli<br>SA15 3QB | |
| Bankers: | The Co-Operative Bank plc<br>PO Box 250<br>Delf House<br>South Way<br>Skelmersdale<br>WN8 6WT<br><br>Metro Bank<br>One Southampton Row<br>London<br>WC1B 5HA | |

# Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2023

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

## Objectives and activities

*As laid out in its governing document the charity exists for*
The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre provides free legal advice to some of the most vulnerable people within the community. We are unique in Wales in being the only not-for-profit agency that employs solicitors for each of Debt, Housing, Welfare Benefits and Employment problems. We are also the only not-for-profit organisation in Wales that regularly provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

## Achievements and Performance

### Advising clients and outcomes

Our goal this year was to provide early, easily accessible advice to as many people as we could within our local communities. To achieve this, we ensured that potential clients could contact us and access our services in as many ways as possible, both at our main office in Roath and in outreach clinics at community venues.

Clients therefore contact us by phone, email, through our website, by attending our office or through support workers. But we also provide regular drop-in clinics at Glenwood Church in Llanederyn, Oasis in Splott and the St Vincent de Paul Community Centre in Ely, so potential clients, who do not know our name nor pass our door, have the opportunity of free legal advice.

We work closely with Citizens Advice, Cardiff and Vale, both under the Welsh Government's Single Advice Fund and Cardiff Council funding. We also work closely with the Public Law Project's Wales Lawyer and the LGBTQ+ Law Clinic, while support workers from Salvation Army, Pobl, Cardiff Council and other organisations regularly refer their clients to us. This means that clients are able to access a holistic service across different agencies.

Over the course of the year, we helped 1062 clients: 256 with debt problems, 314 for housing issues, 221 with welfare benefit enquiries or appeals, 158 dealing with employment problems, with another 99 people seen who needed a food voucher and 14 for Statutory Declarations.

Notable outcomes include: a recent benefits case resulting in the payment of more than £13,000 in Universal Credit arrears; one of our employment clients, after we had supported her for several months to prepare her Employment Tribunal claim, reaching a settlement figure of £22,750; the Public Law Project winning a High Court case for one of our housing clients, leading to policy change within the local authority.

We have recently relaunched our pro bono employment clinic, where local employment solicitors volunteer their time to give free advice for 30-40 minutes to anyone with an employment problem. This is now a combined clinic with our own employment solicitors, which means that we can provide follow up work in a number of cases.

### Visit of Counsel General and Minister for Social Justice

In January 2023, we were visited by the Counsel General for Wales, Mick Antoniw, and the Welsh Minister for Social Justice, Jane Hutt. We are currently the only Law Centre in Wales, and the Counsel General and Minister were interested to learn about the impact of employing solicitors to give free legal advice and how this means we can take on more complex work than other organisations.

### Equality and Diversity Award at the Legal Wales Awards 2022 and LawWorks Cymru Award 2022

The LGBTQ+ Law clinic was originally set up at the Speakeasy Law Centre by one of our Trainee Solicitors and we continue to supervise the clinic and advise many of its clients. It accepts enquiries from LGBTQ+ communities across England and Wales and regularly sends local clients to us for employment, benefits or housing advice. We also provide somewhere for trans men and women to make a Statutory Declaration as part of their progress towards a Gender Recognition Certificate. Few places will do so and we have people travelling from England or across South Wales so they can make the declaration at our office.

The importance of the clinic's work was recognised this year by two awards, as it won the Equality and Diversity Award at the Legal Wales Awards 2022 and the LawWorks Cymru Award 2022. The first award saw it recognised among judges, barristers and solicitors or the local legal community, while the LawWorks Cymru award was presented at Chancery Lane by the President of the Law Society.

## Achievements and Performance (continued)

### Employment and Training

We recognised that it continues to be difficult for young people to find work and we further invested in employing and training young graduates this year, offering a solicitor training contract and two paralegal graduate positions.

We remain one of very few charities in Wales to employ practising solicitors and the only one to employ them for each of debt, welfare benefits, housing and employment advice. We therefore recognise that we have a unique role in training social welfare lawyers in Wales: we have offered 17 training contracts in all since we opened in 1992 and 9 within the last 9 years. The Legal Education Foundation has helped us with grants for 5 of these.

Many of those qualifying as solicitors with us continue to work in the sector, while others go on to public service roles: 3 of our current solicitors trained at the Speakeasy Law Centre, another now works for Asylum Justice, while others work for the Welsh Government Legal Service, HM Courts and Tribunals Service and S4C.

### The Speakeasy Law Centre's role in Wales and South-East Wales

This year, the Centre Director continued to be involved in the National Advice Network. This is a group selected by the Welsh Government Minister, Jane Hutt, to advise the Welsh Government on its strategy for the promotion and support of free legal advice in Wales. He is also one of two Third Sector representatives for the Legal Wales Committee, that includes Judges, Barristers, Senior Solicitors and legal academics.

He also continued as a part of a steering group to set up a new law centre in north Wales, acting as consultant and making his experience of the advice sector in Wales and of running a law centre here available to the new Trustees.

The Centre Director remains part of the Community Justice Fund Steering Group. This includes several major funders, the Law Centres Network, Citizens Advice and Advice UK as well as front-line advisers from around England and Wales. The Centre Director was the representative for Wales in the steering group.

### Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued.

### Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

## Structure, Governance and Management

**Governing document**
South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

**Recruitment and appointment of trustees**
The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

**Induction and training of trustees**
The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

## Financial Review

**Results**

Net expenditure for the year amounted to £10,517 (2022: net income £32,115). Unrestricted funds, including unencumbered freehold premises, carried forward at the year end were £484,804 (2022: £495,321). Restricted funds carried forward at the year end were £nil (2022: £nil).

**Designated Funds**

It was recognised that demand for our services was increasing and that we required another adviser to help respond to this need. It was therefore decided that £24,229 of unrestricted funding (mostly through donations) would be designated for the provision of additional housing support in 2023. Designated funds carried forward at the year-end were £24,229 (2022: £22,857).

**Reserves policy**

The pandemic has shown even more starkly than before the need for charities to have financial resilience, including strong reserves. The Speakeasy Law Centre aims to hold reserves equivalent to four to six months' expenditure (approx.£119k to £179k). It also owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year end were £148,860 (2022: £157,822).

**Income Sources**

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors. We are grateful to the following organisations for grants this year:

- AB Charitable Trust
- Access to Justice Foundation
- Cardiff County Council
- Eleanor Rathbone Charitable Trust
- Lloyds Bank Foundation
- Oakdale Trust
- The Legal Education Foundation
- Welsh Government (Single Advice Fund)

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

## Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

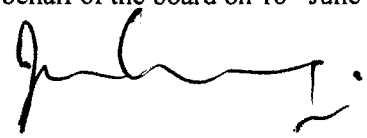
Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. In preparing these financial statements, 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 prudent and reasonable
- State where 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 charitable company will continue in operation

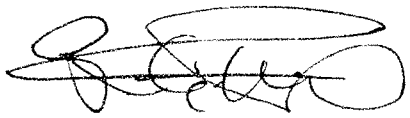
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding 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 special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 16th June 2023



**John Loosemore**
Chair of Trustees



**Steve Williams**
Treasurer

# Independent Examiner's Report
# To the Members of South Wales Law Centre
# For the Year to 31 March 2023

**Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.**

I report on the accounts of South Wales Law Centre for the year ended 31 March 2023 set out on pages 3 to 20.

**Responsibilities and basis of report**

As the charity's trustees of the company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

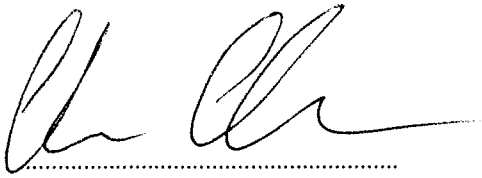
**Independent examiner's statement**

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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- 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 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.



**Steve Ellum**
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 4th July 2023

# Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2023

| | Notes | Unrestricted Funds General 2023 | Unrestricted Funds Designated 2023 | Restricted Funds 2023 | Total 2023 | Total 2022 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| **Income from:** | | | | | | |
| **Donations and legacies** | 3 | - | 18,785 | - | 18,785 | 17,266 |
| **Charitable activities** | 5 | 120,146 | - | 202,827 | 322,973 | 348,224 |
| **Investments** | | 232 | - | - | 232 | 3 |
| **Other** | 6 | - | 5,444 | - | 5,444 | 5,591 |
| **Total Income** | | 120,378 | 24,229 | 202,827 | 347,434 | 371,084 |
| **Expenditure on:** | | | | | | |
| **Raising Funds** | 7 | 11,799 | - | - | 11,799 | 11,703 |
| **Charitable activities** | 8 | 120,468 | 22,857 | 202,827 | 346,152 | 327,266 |
| **Total Expenditure** | | 132,267 | 22,857 | 202,827 | 357,951 | 338,969 |
| **Net income/(expenditure)** | | | | | | |
| **Net movement in funds** | | (11,889) | 1,372 | - | (10,517) | 32,115 |
| **Reconciliation of Funds** | | | | | | |
| Total funds brought forward | | 472,464 | 22,857 | - | 495,321 | 463,206 |
| **Total funds carried forward** | | 460,575 | 24,229 | - | 484,804 | 495,321 |

The notes on pages 11 to 20 form part of these financial statements.

# Balance Sheet
# at 31 March 2023

| | Notes | 2023 £ | 2023 £ | 2022 £ | 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **11** | | 311,715 | | 314,642 |
| **Total fixed assets** | | | 311,715 | | 314,642 |
| **Current assets** | | | | | |
| Debtors | **12** | 1,335 | | 19,935 | |
| Cash at bank and in hand | | 178,776 | | 168,235 | |
| | | 180,111 | | 188,170 | |
| Creditors: Amounts falling due within one year | **13** | (7,022) | | (7,491) | |
| **Net current assets** | | | 173,089 | | 180,679 |
| **Total assets less current liabilities** | | | 484,804 | | 495,321 |
| **Net assets** | | | 484,804 | | 495,321 |
| **Represented by:** | | | | | |
| Unrestricted funds | **14** | | 484,804 | | 495,321 |
| Restricted funds | **15** | | - | | - |
| | | | 484,804 | | 495,321 |

For the 12 months ending 31 March 2023, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

These financial statements were approved and authorised for issue by the trustees on 16th June 2023 and signed on their behalf by:

**John Loosemore**
Chair of Trustees

**Steve Williams**
Treasurer

Company Number: 7550894

## Notes to the Accounts for the year ended 31 March 2023

### 1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether "capital" 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 reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

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.

**Notes to the Accounts for the year ended 31 March 2023**

## 1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

*Raising Funds* represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

*Charitable activities* represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

*Governance* represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

*Support costs* are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

## 1.4 Fund accounting

The charity maintains various types of funds as follows:

*General unrestricted funds* represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

*Restricted funds* represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

## 1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|---|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of these costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

**Notes to the Accounts for the year ended 31 March 2023**

**1.6 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

**1.7 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

**2 Net income / (expenditure)**

| | 2023 £ | 2022 £ |
|---|---|---|
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 2,927 | 7,372 |
| Independent Examiners Fee | 1,512 | 1,420 |

**3 Donations and Legacies**

| | Unrestricted General Funds 2023 £ | Unrestricted Designated Funds 2023 £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|---|---|---|---|
| Regular Donations | - | 10,870 | 10,870 | 11,087 |
| Ad-Hoc Donations | - | 5,730 | 5,730 | 3,489 |
| Tax Reclaimed | - | 2,185 | 2,185 | 2,690 |
| | - | 18,785 | 18,785 | 17,266 |

**4 Total income**

| | Total 2023 £ | Total 2022 £ |
|---|---|---|
| Donations and legacies | 18,785 | 17,266 |
| Grants from local authorities and trusts | 322,973 | 348,224 |
| Investments | 232 | 3 |
| Other income | 5,444 | 5,591 |
| | 347,434 | 371,084 |

**Notes to the Accounts for the year ended 31 March 2023**

## 5 Income from charitable activities

| | Unrestricted General funds £ | Restricted funds £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Access to Justice Foundation | 95,146 | - | 95,146 | 48,263 |
| Oakdale Trust | 2,000 | - | 2,000 | - |
| AB Charitable Trust | 20,000 | - | 20,000 | - |
| Eleanor Rathbone Charitable Trust | 3,000 | - | 3,000 | - |
| Local Authority Grants (Cardiff County Council) | - | 70,690 | 70,690 | 60,000 |
| Legal Educational Foundation | - | 35,892 | 35,892 | 50,208 |
| Lloyds Bank Foundation for England and Wales | - | 27,605 | 27,605 | 33,309 |
| Welsh Government Single Advice Fund | - | 68,640 | 68,640 | 66,091 |
| Law Centres Network | - | - | - | 18,000 |
| Therium Access | - | - | - | 30,563 |
| Citizens Advice – Cardiff and Vale | - | - | - | 41,790 |
| | 120,146 | 202,827 | 322,973 | 348,224 |

## 6 Other Income

| | Unrestricted Designated Funds 2023 £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|---|---|---|
| Rents received | 1,785 | 1,785 | 1,368 |
| Secondment Fees | 3,575 | 3,575 | 2,656 |
| Other | 84 | 84 | 1,567 |
| | 5,444 | 5,444 | 5,591 |

## 7 Costs of raising funds

| | Unrestricted Total Funds 2023 £ | Unrestricted Total Funds 2022 £ |
|---|---|---|
| Fundraising | 11,799 | 11,703 |

Costs of raising funds includes employment costs of £9,842 (2022: £10,399).

**Notes to the Accounts for the year ended 31 March 2023**

## 8 Cost of charitable activities – by fund type

| | Unrestricted General funds 2023 £ | Unrestricted Designated funds 2023 £ | Restricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|---|---|---|---|---|
| Provision of legal advice | 120,468 | 22,857 | 202,827 | 346,152 | 327,266 |

## 9 Cost of charitable activities – by activity

| | Activities undertaken 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|---|---|---|---|
| Provision of legal advice | 302,076 | 44,076 | 346,152 | 327,266 |

Activities undertaken directly include employment costs of £295,344 (2022: £280,919). Support costs consist of office costs, travel costs and depreciation and include governance costs of £3,950 (2022: £4,210).

**Notes to the Accounts for the year ended 31 March 2023**

## 10 Staff numbers and cost

Employment costs

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Wages and salaries | 277,945 | 266,726 |
| Social security costs | 19,877 | 17,578 |
| Pension costs | 7,364 | 7,014 |
| | 305,186 | 291,318 |

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

| | 2023 | 2022 |
|---|---|---|
| Charitable Activities | 12 | 12 |
| Administration | 1 | 1 |
| | 13 | 13 |

No staff member was paid more than £60,000 in the financial year.

No trustee received any remuneration or payment of expenses during the year (2022: none).

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £49,212 (2022: £47,322).

**Notes to the Accounts for the year ended 31 March 2023**

## 11 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|---|---|---|---|
| **Cost** | | | |
| At 1 April 2022 | 346,393 | 22,179 | 368,572 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 March 2023 | 346,393 | 22,179 | 368,572 |
| **Depreciation** | | | |
| At 1 April 2022 | 31,751 | 22,179 | 53,930 |
| Charge for the year | 2,927 | - | 2,927 |
| Disposals | - | - | - |
| At 31 March 2023 | 34,678 | 22,179 | 56,857 |
| **Net Book Value** | | | |
| At 31 March 2023 | 311,715 | - | 311,715 |
| At 31 March 2022 | 314,642 | - | 314,642 |

## 12 Debtors

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | 963 | - |
| Prepayments and accrued income | - | 18,649 |
| Other debtors | 372 | 1,286 |
| | 1,335 | 19,935 |

## 13 Creditors: Amounts falling due within one year

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade creditors | 317 | 172 |
| Other taxes and social security | 3,928 | 5,799 |
| Accruals and deferred income | 1,512 | 1,420 |
| Other creditors | 1,265 | 100 |
| | 7,022 | 7,491 |

Included in Accruals is deferred income of £nil (2022: £nil) which relates to activities taking place after the year end.

**Notes to the Accounts for the year ended 31 March 2023**

## 14 Unrestricted funds

| | Balance at 1 Apr 2022 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2022 £ |
|---|---|---|---|---|---|
| General funds | 472,464 | 120,378 | (132,267) | - | 460,575 |
| Designated Funds | 22,857 | 24,229 | (22,857) | - | 24,229 |
| | 495,321 | 144,607 | (155,124) | - | 484,804 |

The Designated Funds are those unrestricted funds raised during the year and designated to meet heightened demand for debt advice as a result of the cost of living crisis.

## 15 Restricted funds

| | Balance at 1 Apr 2022 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2023 £ |
|---|---|---|---|---|---|
| Legal Educational Foundation | - | 35,892 | (35,892) | - | - |
| Lloyds Bank Foundation For England and Wales | - | 27,605 | (27,605) | - | - |
| Welsh Government Single Advice Fund | - | 68,640 | (68,640) | - | - |
| Cardiff County Council | - | 70,690 | (70,690) | - | - |
| | - | 202,827 | (202,827) | - | - |

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Lloyds Bank Foundation for England and Wales** grant was to provide housing advice.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

The **Local Authority Grants (Cardiff County Council)** was to provide free debt and welfare benefits advice.

## 16 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|---|---|---|---|
| Tangible assets | 311,715 | - | 311,715 | 314,642 |
| Cash at bank and in hand | 178,776 | - | 178,776 | 168,235 |
| Other net current assets/ (liabilities) | (5,687) | - | (5,687) | 12,444 |
| | 484,804 | - | 484,804 | 495,321 |

**Notes to the Accounts for the year ended 31 March 2023**

## 17 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 18 Related parties

The charity is connected with the following organisations:

1. The Salt Trust;
2. Hope CIO
3. Glenwood Church

The Salt Trust is related as two of the trustees of the charity served as trustees of the South Wales Law Centre during the financial year. These were Norman Adams and Steve Williams. During the year gifts of £48 (2022: £52) were received from The Salt Trust. There were no outstanding balances at the year end.

Hope CIO is related as three of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis, Rachel Treseder and Nkini Pulei. Payments of £nil (2022: £360) were received from Hope CIO. There were no outstanding balances at the year end.

Glenwood Church is related as two of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis and Norman Adams. During the year invoices were raised by the charity to Glenwood Church of £3,575 (2022: £nil). At the end of the year Glenwood Church owed the charity £963 (2022: £nil).

The total amount of donations received during the year from related parties was £422 (2022: £584).

## 19 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

## 20 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

**Notes to the Accounts for the year ended 31 March 2023**

**21 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2022**

| | Unrestricted Funds | | Restricted | |
|---|---|---|---|---|
| | General 2022 | Designated 2022 £ | Funds 2022 £ | Total 2022 £ |
| **Income from:** | | | | |
| **Donations and legacies** | - | 17,266 | - | 17,266 |
| **Charitable activities** | 66,263 | - | 281,961 | 348,224 |
| **Investments** | 3 | - | - | 3 |
| **Other** | - | 5,591 | - | 5,591 |
| **Total Income** | 66,266 | 22,857 | 281,961 | 371,084 |
| **Expenditure on:** | | | | |
| **Raising Funds** | 11,703 | - | - | 11,703 |
| **Charitable activities** | 7,413 | 37,892 | 281,961 | 327,266 |
| **Total Expenditure** | 19,116 | 37,892 | 281,961 | 338,969 |
| **Net income/ Net movement in funds** | 47,150 | (15,035) | - | 32,115 |
| **Reconciliation of Funds** | | | | |
| Total funds brought forward | 425,314 | 37,892 | - | 463,206 |
| **Total funds carried forward** | 472,464 | 22,857 | - | 495,321 |

**South Wales Law Centre**

England & Wales - Charity number 1140949

# Accounts

Canolfan Gyfraith Speakeasy Law Centre

# South Wales Law Centre Ltd

t/a "Speakeasy Law Centre"

# Annual Report and Accounts

For the Year to 31 March 2022

# Contents


| | |
|---|---|
| Charity Information | 2 |
| Report of the Trustees | 3 - 7 |
| Report of the Independent Examiner | 8 |
| Statement of Financial Activities | 9 |
| Balance Sheet | 10 |
| Notes to the Accounts | 11 - 20 |

# Charity Information

| | |
|---|---|
| Charity Name: | South Wales Law Centre Ltd |
| Working Names: | Speakeasy Law Centre |
| Registered Numbers: | Company Number: 7550894<br>Charity Number: 1140949 |
| Registered Office: | 166 Richmond Road<br>Cardiff<br>CF24 3BX |
| Website address: | www.speakeasy.cymru |
| Trustees: | Norman Adams<br>Paul Francis<br>John Loosemore<br>Nkini Pulei<br>Steve Williams<br>David Horton<br>Rebecca Jane Matyus |
| Centre Director: | Warren Palmer |
| Independent Examiner: | Steve Ellum<br>Steve Ellum & Associates Ltd<br>Chartered Accountants<br>Adulum House<br>Glan Yr Afon<br>Llanelli<br>SA15 3QB |
| Bankers: | The Co-Operative Bank plc<br>PO Box 250<br>Delf House<br>South Way<br>Skelmersdale<br>WN8 6WT<br><br>Metro Bank<br>One Southampton Row<br>London<br>WC1B 5HA |

# Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2022

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

## Objectives and activities

*As laid out in its governing document the charity exists for*
The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre provides free legal advice to some of the most vulnerable people within the community. We are unique in Wales in being the only not-for-profit agency that employs solicitors for each of Debt, Housing, Welfare Benefits and Employment problems. We are also the only not-for-profit organisation in Wales that regularly provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

## Achievements and Performance

### Advising clients

Our goal this year was to provide advice to as many people as we could within our local communities, while ensuring a safe environment for both clients and staff.

Although vaccines were rolled out during the year, Wales took a more cautious approach to opening-up than England. We therefore limited work in the office to a small number of staff at any one time but created a safe space for some clients to see us face-to-face where necessary. Nonetheless, most clients continued to contact us by phone and email and these remained the most common forms of contact.

We recognised that the financial shocks and disruption of Covid-19 meant that the need for free, expert legal advice was increasing, and we were able to deal with more client problems in each area of law. We helped more than 1,000 over the course of the year.

This was the second year of working under the Welsh Government's Single Advice Fund, providing employment and housing advice. We took on more staff for both areas of law during the year so as to meet the demand and ensure we did not turn people away: overall we dealt with 339 housing problems and 157 employment issues. We helped people with homelessness applications, disrepair, landlord/tenant disputes and other tenancy or homelessness related issues. We also advised on mediation and Employment Tribunal claims, withheld wages, discrimination and health & safety problems.

We continued to provide expert benefit and debt advice, dealing with 232 and 318 different issues respectively. These included negotiating with creditors and bailiffs, submitting Debt Relief Order applications, appealing disability benefit decisions and untangling problems with Universal Credit. We successfully represented clients at social security tribunals: we overturned 4 benefit sanctions for a client with severe mental health problems, which had stopped his benefit payments for more than a year. We also successfully defended a client against a demand to repay £51,000 of benefits paid to him over the previous 12 years.

### Employment and Training

We recognised that it continued to be difficult for young people to find work and we further invested in employing and training young graduates, offering two solicitor training contracts and taking on a paralegal straight from law school.

We were again given a grant by the Legal Education Foundation (TLEF) to provide one of these training contracts as part of its prestigious Justice First Fellowship (JFF). We are grateful to TLEF for its continued support in providing training to young social welfare lawyers: to date, we are the only not-for-profit organisation in Wales to have received a JFF grant.

We remain one of very few charities in Wales to employ practising solicitors and the only one to employ them for each of debt, welfare benefits, housing and employment advice. We therefore recognise that we have a unique role in training social welfare lawyers in Wales: we have offered 17 training contracts in all since we opened in 1992 and 9 within the last 9 years. TLEF has helped us with grants for 5 of these.

Many of those qualifying as solicitors with us continue to work in the sector, while others go on to public service roles: 4 of our current solicitors trained at the Speakeasy Law Centre, some now work for Asylum Justice and Citizens Advice, while others work for the Welsh Government Legal Service or HM Courts and Tribunal Service.

## Achievements and Performance (continued)

### The Speakeasy Law Centre's role in Wales and South-East Wales

This year, the Centre Director continued to be involved in the National Advice Network. This is a group selected by the Welsh Government Minister, Jane Hutt, to advise the Welsh Government on its strategy for the promotion and support of free legal advice in Wales.

He was also asked to join a steering group to set up a new law centre in north Wales, acting as consultant and making his experience of the advice sector in Wales and of running a law centre here available to the new Trustees. This year should see incorporation of the new law centre, with its Project Development Officer recently appointed.

The Centre Director remains part of the Community Justice Fund Steering Group. This includes several major funders, the Law Centres Network, Citizens Advice and Advice UK as well as front-line advisers from around England and Wales. The Centre Director was the representative for Wales in the steering group.

The Speakeasy Law Centre also works closely with a number of other important advice sector organisations in Wales. We have a long-standing partnership with Citizens Advice, Cardiff and Vale, working together under local authority funding for many years and the more recent Welsh Government Single Advice Fund.

We host and work closely with the Public Law Project's Wales lawyer, who has taken on a number of our clients and issued public law proceedings, when we have hit a wall with public bodies. We have also developed closer links with Shelter Cymru and Asylum Justice, enabling us to ensure that clients can still get expert advice where we are unable to help.

### Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued.

### Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

## Structure, Governance and Management

### Governing document

South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

### Recruitment and appointment of trustees

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

### Induction and training of trustees

The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

## Financial Review

### Results

Net income for the year amounted to £32,115 (2021: net income £67,953). Unrestricted funds, including unencumbered freehold premises, carried forward at the year end were £495,321 (2021: £463,206). Restricted funds carried forward at the year end were £nil (2021: £nil).

### Designated Funds

While additional funding was available this year to allow advice providers to meet the new and additional need for free legal advice, it was clear that the huge increases in energy prices and the high rate of inflation would mean that there would be need of even more debt advice well beyond 31 March 2022. It was therefore decided that some funds would be designated for this specific use in the following few months. Designated funds carried forward at the year-end were £22,857 (2021: £37,892).

### Reserves policy

The pandemic has shown even more starkly than before the need for charities to have financial resilience, including strong reserves. The Speakeasy Law Centre aims to hold reserves equivalent to four to six months' expenditure (approx.£113k to £170k). It also owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year end were £157,822 (2021: £106,987).

### Income Sources

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors. We are grateful to the following organisations for grants this year:

- Access to Justice Foundation
- Cardiff County Council
- Citizens Advice
- Law Centres Network
- Legal Education Foundation
- Lloyds Bank Foundation
- The Legal Education Foundation
- Therium Access
- Welsh Government (Single Advice Fund)

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

## Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. 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 prudent and reasonable
- State where 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 charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 1st July 2022

**John Loosemore**
Chair of Trustees

**Paul Francis**
Trustee

# Independent Examiner's Report
# To the Members of South Wales Law Centre
# For the Year to 31 March 2022

**Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.**

I report on the accounts of South Wales Law Centre for the year ended 31 March 2022 set out on pages 3 to 20.

**Responsibilities and basis of report**

As the charity's trustees of the company (who are also the directors of the company 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 for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

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

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- 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 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.



.....

**Steve Ellum**
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 5th July 2022

# Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2022

| | Notes | Unrestricted Funds General 2022 £ | Unrestricted Funds Designated 2022 £ | Restricted Funds 2022 £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|---|---|
| **Income from:** | | | | | | |
| **Donations and legacies** | 3 | - | 17,266 | - | 17,266 | 21,278 |
| **Charitable activities** | 5 | 66,263 | - | 281,961 | 348,224 | 401,989 |
| **Investments** | | 3 | - | - | 3 | - |
| **Other** | 6 | - | 5,591 | - | 5,591 | 17,961 |
| **Total Income** | | 66,266 | 22,857 | 281,961 | 371,084 | 441,228 |
| **Expenditure on:** | | | | | | |
| **Raising Funds** | 7 | 11,703 | - | - | 11,703 | 14,883 |
| **Charitable activities** | 8 | 7,413 | 37,892 | 281,961 | 327,266 | 358,392 |
| **Total Expenditure** | | 19,116 | 37,892 | 281,961 | 338,969 | 373,275 |
| **Net income/ Net movement in funds** | | 47,150 | (15,035) | - | 32,115 | 67,953 |
| **Reconciliation of Funds** | | | | | | |
| Total funds brought forward | | 425,314 | 37,892 | - | 463,206 | 395,253 |
| **Total funds carried forward** | | 472,464 | 22,857 | - | 495,321 | 463,206 |

The notes on pages 11 to 20 form part of these financial statements.

# Balance Sheet
# at 31 March 2022

| | Notes | 2022 £ | 2022 £ | 2021 £ | 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | | 314,642 | | 318,327 |
| **Total fixed assets** | | | 314,642 | | 318,327 |
| **Current assets** | | | | | |
| Debtors | 12 | 19,935 | | 22,482 | |
| Cash at bank and in hand | | 168,235 | | 186,674 | |
| | | 188,170 | | 209,156 | |
| Creditors: Amounts falling due within one year | 13 | (7,491) | | (64,277) | |
| **Net current assets** | | | 180,679 | | 144,879 |
| **Total assets less current liabilities** | | | 495,321 | | 463,206 |
| **Net assets** | | | 495,321 | | 463,206 |
| **Represented by:** | | | | | |
| Unrestricted funds | 14 | | 495,321 | | 463,206 |
| Restricted funds | 15 | | - | | - |
| | | | 495,321 | | 463,206 |

For the 12 months ending 31 March 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

These financial statements were approved and authorised for issue by the trustees on 1st July 2022 and signed on their behalf by:

**John Loosemore**
Chair of trustees

**Paul Francis**
Trustee

Company Number: 7550894

## Notes to the Accounts for the year ended 31 March 2022

### 1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Total income is lower than last year but remains above average for recent years and the trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether "capital" 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 reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

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.

**Notes to the Accounts for the year ended 31 March 2022**

## 1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

*Raising Funds* represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

*Charitable activities* represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

*Governance* represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

*Support costs* are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

## 1.4 Fund accounting

The charity maintains various types of funds as follows:

*General unrestricted funds* represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

*Restricted funds* represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

## 1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|---|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of these costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

## Notes to the Accounts for the year ended 31 March 2022

### 1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

### 1.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

### 2 Net income / (expenditure)

| | 2022 £ | 2021 £ |
|---|---|---|
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 7,372 | 3,687 |

### 3 Donations and Legacies

| | Unrestricted General Funds 2022 £ | Unrestricted Designated Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|---|---|---|---|
| Regular Donations | - | 11,087 | 11,087 | 11,325 |
| Ad-Hoc Donations | - | 3,489 | 3,489 | 6,002 |
| Tax Reclaimed | - | 2,690 | 2,690 | 2,604 |
| | - | 17,266 | 17,266 | 19,931 |
| Government Grants: | | | | |
| Coronavirus Job Retention Scheme | - | - | - | 1,347 |
| | - | 17,266 | 17,266 | 21,278 |

### 4 Total income

| | Total 2022 £ | Total 2021 £ |
|---|---|---|
| Donations and legacies | 17,266 | 21,278 |
| Grants from local authorities and trusts | 348,224 | 401,989 |
| Investments | 3 | - |
| Other income | 5,591 | 17,961 |
| | 371,084 | 441,228 |

## Notes to the Accounts for the year ended 31 March 2022

### 5 Income from charitable activities

| | Unrestricted General funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---|---|---|---|---|
| Access to Justice Foundation | 48,263 | - | 48,263 | 42,891 |
| Law Centres Network | 18,000 | - | 18,000 | - |
| Local Authority Grants (Cardiff County Council) | - | 60,000 | 60,000 | 60,000 |
| Legal Educational Foundation | - | 50,208 | 50,208 | 57,031 |
| Therium Access | - | 30,563 | 30,563 | 34,260 |
| Lloyds Bank Foundation for England and Wales | - | 33,309 | 33,309 | 24,608 |
| Welsh Government Single Advice Fund | - | 66,091 | 66,091 | 65,943 |
| Citizens Advice – Cardiff and Vale | - | 41,790 | 41,790 | - |
| Community Foundation Wales | - | - | - | 5,256 |
| Community Justice Fund | - | - | - | 92,000 |
| AB Charitable Trust | - | - | - | 15,000 |
| Sheldon Trust | - | - | - | 5,000 |
| | 66,263 | 281,961 | 348,224 | 401,989 |

### 6 Other Income

| | Unrestricted Designated Funds 2022 £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|---|---|---|
| Rents received | 1,368 | 1,368 | 2,175 |
| Secondment Fees | 2,656 | 2,656 | 15,708 |
| Other | 1,567 | 1,567 | 78 |
| | 5,591 | 5,591 | 17,961 |

### 7 Costs of raising funds

| | Unrestricted Total Funds 2022 £ | Unrestricted Total Funds 2021 £ |
|---|---|---|
| Fundraising | 11,703 | 14,883 |

Costs of raising funds includes employment costs of £10,399 (2021: £11,119).

**Notes to the Accounts for the year ended 31 March 2022**

## 8 Cost of charitable activities – by fund type

| | Unrestricted General funds 2022 £ | Unrestricted Designated funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|---|---|---|---|---|
| Provision of legal advice | 7,413 | 37,892 | 281,961 | 327,266 | 358,392 |

## 9 Cost of charitable activities – by activity

| | Activities undertaken 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|---|
| Provision of legal advice | 290,804 | 36,462 | 327,266 | 358,392 |

Activities undertaken directly include employment costs of £280,919 (2021: £274,603). Support costs consist of office costs, travel costs and depreciation and include governance costs of £4,210 (2021: £3,180).

**Notes to the Accounts for the year ended 31 March 2022**

## 10 Staff numbers and cost

Employment costs

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Wages and salaries | 266,726 | 260,712 |
| Social security costs | 17,578 | 17,661 |
| Pension costs | 7,014 | 7,347 |
| | 291,318 | 285,720 |

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

| | 2022 | 2021 |
|---|---|---|
| Charitable Activities | 12 | 11 |
| Administration | 1 | 1 |
| | 13 | 12 |

No staff member was paid more than £60,000 in the financial year.

No trustee received any remuneration or payment of expenses during the year (2021: none).

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £47,322 (2021: £46,720).

## Notes to the Accounts for the year ended 31 March 2022

### 11 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|---|---|---|---|
| **Cost** | | | |
| At 1 April 2021 | 346,393 | 22,179 | 368,572 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 March 2022 | 346,393 | 22,179 | 368,572 |
| **Depreciation** | | | |
| At 1 April 2021 | 28,824 | 21,421 | 50,245 |
| Charge for the year | 2,927 | 758 | 3,685 |
| Disposals | - | - | - |
| At 31 March 2022 | 31,751 | 22,179 | 53,930 |
| **Net Book Value** | | | |
| At 31 March 2022 | 314,642 | - | 314,642 |
| At 31 March 2021 | 317,569 | 758 | 318,327 |

### 12 Debtors

| | 2022 £ | 2021 £ |
|---|---|---|
| Prepayments and accrued income | 18,649 | 21,168 |
| Other debtors | 1,286 | 1,314 |
| | 19,935 | 22,482 |

Other debtors include Gift Aid tax recoverable of £181 (2021: £211).

### 13 Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|---|---|---|
| Trade creditors | 172 | 562 |
| Other taxes and social security | 5,799 | 5,363 |
| Accruals and deferred income | 1,420 | 56,770 |
| Other creditors | 100 | 1,582 |
| | 7,491 | 64,277 |

Included in Accruals is deferred income of £nil (2021: £55,420) which relates to activities taking place after the year end.

## Notes to the Accounts for the y31 March 2022

### 14 Unrestricted funds

| | Balance at 1 Apr 2021 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2022 £ |
|---|---|---|---|---|---|
| General funds | 425,314 | 66,266 | (19,116) | - | 472,464 |
| Designated Funds | 37,892 | 22,857 | (37,892) | - | 22,857 |
| | 463,206 | 89,123 | (57,008) | - | 495,321 |

The Designated Funds are those unrestricted funds raised during the year and designated to meet heightened demand for debt advice as a result of the cost of living crisis.

### 15 Restricted funds

| | Balance at 1 Apr 2021 £ | Income £ | Expenditure £ | Transfers £ | Balance at 31 Mar 2022 £ |
|---|---|---|---|---|---|
| Legal Educational Foundation | - | 50,208 | (50,208) | - | - |
| Therium Access | - | 30,563 | (30,563) | - | - |
| Lloyds Bank Foundation For England and Wales | - | 33,309 | (33,309) | - | - |
| Welsh Government Single Advice Fund | - | 66,091 | (66,091) | - | - |
| Cardiff County Council | - | 60,000 | (60,000) | - | - |
| Citizens Advice - Cardiff and Vale | - | 41,790 | (41,790) | - | - |
| | - | 281,961 | (281,961) | - | - |

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Therium Access** grant was to train a solicitor in social welfare law.

The **Lloyds Bank Foundation for England and Wales** grant was to provide housing advice.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

The **Local Authority Grants (Cardiff County Council)** was to provide free debt and welfare benefits advice.

The **Citizens Advice, Cardiff and Vale** funding was to provide additional free employment advice.

## Notes to the Accounts for the year ended 31 March 2022

### 16 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|---|---|---|---|
| Tangible assets | 314,642 | - | 314,642 | 318,327 |
| Cash at bank and in hand | 168,235 | - | 168,235 | 186,674 |
| Other net current assets/ (liabilities) | 12,444 | - | 12,444 | (41,795) |
| | 495,321 | - | 495,321 | 463,206 |

### 17 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 18 Related parties

The charity is connected with the following organisations:

1. The Salt Trust;
2. Hope CIO.

The Salt Trust is related as two of the trustees of the charity served as trustees of the South Wales Law Centre during the financial year. These were Norman Adams and Steve Williams. During the year gifts of £52 (2021: £52) were received from The Salt Trust. There were no outstanding balances at the year end.

Hope CIO is related as three of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis, Rachel Treseder and Nkini Pulei. Payments of £360 (2021: £2,160) were received from Hope CIO. There were no outstanding balances at the year end.

The total amount of donations received during the year from related parties was £584 (2021: £772).

### 19 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

### 20 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

**Notes to the Accounts for the year ended 31 March 2022**

**21 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2021**

| | Unrestricted Funds | | Restricted | |
|---|---|---|---|---|
| | General 2021 | Designated 2021 | Funds 2021 | Total 2021 |
| | | £ | £ | £ |
| **Income from:** | | | | |
| **Donations and legacies** | 1,347 | 19,931 | - | 21,278 |
| **Charitable activities** | 172,000 | - | 229,989 | 401,989 |
| **Other** | - | 17,961 | - | 17,961 |
| **Total Income** | 173,347 | 37,892 | 229,989 | 441,228 |
| **Expenditure on:** | | | | |
| **Raising Funds** | 14,883 | - | - | 14,883 |
| **Charitable activities** | 128,403 | - | 229,989 | 358,392 |
| **Total Expenditure** | 143,286 | - | 229,989 | 373,275 |
| **Net income/ Net movement in funds** | 30,061 | 37,892 | - | 67,953 |
| **Reconciliation of Funds** | | | | |
| Total funds brought forward | 395,253 | - | - | 395,253 |
| **Total funds carried forward** | 425,314 | 37,892 | - | 463,206 |

**South Wales Law Centre**

England & Wales - Charity number 1140949

# Accounts

Canolfan Gyfraith
Speakeasy
Law Centre

# South Wales Law Centre Ltd

t/a "Speakeasy Law Centre"

# Annual Report and Accounts

For the year to 31 March 2021

# Charity Information

| | |
|---|---|
| Charity Name: | South Wales Law Centre Ltd |
| Working Names: | Speakeasy Law Centre |
| Registered Numbers: | Company Number: 7550894<br>Charity Number: 1140949 |
| Registered Office: | 166 Richmond Road<br>Cardiff<br>CF24 3BX |
| Website address: | www.speakeasy.cymru |
| Trustees: | Norman Adams<br>Paul Francis<br>John Loosemore<br>Nkini Pulei<br>Rachel Treseder (Resigned 12th June 2020 )<br>Steve Williams<br>David Horton (Appointed 12th June 2020)<br>Rebecca Jane Matyus (Appointed 12th June 2020) |
| Centre Director: | Warren Palmer |
| Independent Examiner: | Steve Ellum<br>Steve Ellum & Associates Ltd<br>Chartered Accountants<br>Adulum House<br>Glan Yr Afon<br>Llanelli<br>SA15 3QB |
| Bankers: | The Co-Operative Bank plc<br>PO Box 250<br>Delf House<br>South Way<br>Skelmersdale<br>WN8 6WT |

# Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2021

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

## Objectives and activities

*As laid out in its governing document the charity exists for*
The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre provides free advice to some of the most vulnerable people within the community. We are unique in Wales in being the only not-for-profit agency that employs solicitors for each of Debt, Housing, Welfare Benefits and Employment problems. We are also the only not-for-profit organisation in Wales that regularly provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

## Achievements and Performance

### Covid-19 and national lockdowns

We closed our office to clients and moved to working remotely from home at the end of March 2020, when Covid-19 caused the government to impose a national lockdown.

Our main priority was to remain as accessible as possible to our clients, including very many people affected by the lockdown restrictions and experiencing novel employment law issues or having to claim welfare benefits for the first time.

For some years we had been working to upgrade our IT facilities, which meant that we were able to work remotely from home from the start: sufficient numbers of staff were already using laptops instead of PCs and we were able to contact and advise clients without any delay, thanks to our online case-management system.

We then made sure that we were fully abreast of the Furlough Scheme and other new employment issues and we were able to advise many people within the first few weeks how this would affect them. We also advised and helped very many people who had to claim Universal Credit for the first time.

Over the period of months following the initial closure of the office, we had three main goals: to ensure that our advisers had the necessary equipment and training to provide as good a service as we could; to maintain close support and supervision of staff to ensure their wellbeing; to work to make the office Covid-19 secure for when it would be possible to use the office once more to see clients. We are grateful to the Community Justice Fund and Community Foundation Wales for providing funds promptly to allow for the purchase of screens, cleaning equipment and other items to allow the office to be made more secure.

In common with many other advice providers, we initially saw a drop in debt and certain housing enquiries, as bailiff and other enforcement action was paused. However, while welfare benefit appeals also slowed down, we dealt with many new enquiries about Universal Credit and the Furlough Scheme by people affected by the Covid-19 restrictions.

We anticipated that the drop in debt and housing enquiries would not continue and that, if anything, problems would be stored up for later. We were also acutely aware that law students graduating from their degree or legal practice course in the summer of 2020 were facing a greatly restricted jobs market. We therefore made use of funding from the Community Justice Fund to recruit five new advisers in October 2020, all but one of them being new graduates. We were able to provide a first step towards a legal career and we are very glad to have seen three of them move onto permanent jobs within the legal sector.

It was widely recognised that emergency funding would be needed for the advice sector to manage changes due to Covid-19 and also to address the increase need of employment, benefit, housing and debt cases that the impact of Covid-19 and the national lockdown caused. We were therefore very grateful for substantial funding from the Community Justice Fund.

However, we also recognised that the financial impact of Covid-19 would not be over by 31 March 2021 and it was not at all clear what additional funding might be available to help us address that ongoing need after 31 March 2021. We therefore decided to take steps to raise funds ourselves, setting up a Speakeasy 100 cycle ride, where members of staff, one trustee and supporters rode 100 miles in one day through our South Wales communities.

## Achievements and Performance (continued)

A long-term supporter, Tim Lockett, also ran a marathon in the Brecon Beacons to raise funds for us, while we saw additional donations for the work. The trustees designated these funds for the additional demand anticipated in 2021-2022.

Having made the office Covid-19 secure, with additional screens, ventilation and HEPA filters, we opened the office for appointments in September 2021, but continued to allow and encourage some working from home and the provision of advice by phone and email where the clients preferred this or found it easier.

### The Speakeasy Law Centre's role in Wales and South-East Wales

This year, the centre director and deputy director continued to be involved in the National Advice Network and Regional Advice Network. The National Advice Network is a group selected by the Welsh Government Minister, Jane Hutt to advise the Welsh Government on its strategy for the promotion and support of free legal advice in Wales. The Regional Advice Network is a group of local advice agencies that work together both to ensure more effective advice provision within the region but also to report back to the Welsh Government.

The centre director continued as a trustee of Advice UK until September 2020, the only member of the Board working in Wales. He also was asked to join the Community Justice Fund Steering Group: including several major funders, the Law Centre's Network, Citizens Advice and Advice UK as well as front-line advisers from around England and Wales. The Centre Director was the representative for Wales in the steering group.

#### Public funding in partnership with Citizens Advice

The Speakeasy Law Centre has a strong relationship with Citizens Advice, Cardiff and Vale, working together for several years under a grant from Cardiff Council. Since January 2020, our partnership has been extended to working under the Welsh Government Single Advice Fund, allowing us to employ a solicitor to undertake employment law cases for the first time.

#### Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued.

#### Training

The Speakeasy Law Centre has a unique role in training solicitors in the social welfare sector, as the only not-for-profit agency in Wales to do so.

This year, we have two trainee solicitors. A third qualified as solicitor in October 2020 and now works as our employment solicitor. Our role in providing such training was once more recognised by the award of a grant by the Legal Education Foundation for 2022 - 2023.

#### Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

## Structure, Governance and Management

### Governing document

South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

### Recruitment and appointment of trustees

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

### Induction and training of trustees

The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

## Financial Review

### Results

Net income for the year amounted to £67,953 (2020: net income £26,676). Unrestricted funds carried forward at the year end were £463,206 (2020: £395,253). Restricted funds carried forward at the year end were £nil (2020: £nil).

### Designated Funds

While additional funding was available this year to allow advice providers to meet the new and additional need for free legal advice, it was clear that such increased need would continue beyond 31 March 2021. It was therefore decided that we should actively raise additional funds (see pages 4 and 5) and designate them for this specific use beyond 31 March 2021. Designated funds carried froward at the year-end were £37,892 (2020: £nil).

### Reserves policy

The Charity aims to hold reserves equivalent to three months' expenditure (approx.£93,000) and owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year end were £106,987 (2020: £73,239).

**Income Sources**
The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors. We are grateful to the following organisations for grants this year:

- A B Charitable Trust
- Access to Justice Foundation
- Community Justice Fund
- Community Foundation Wales
- Cardiff County Council
- Legal Education Foundation
- Lloyds Bank Foundation
- Reaching Justice Wales
- The Legal Education Foundation
- The Sheldon Trust
- Therium Access
- Welsh Government (Single Advice Fund)

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

## Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. 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 prudent and reasonable
- State where 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 charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which 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 special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 01 10 ~~XX XXXX~~ 2021.

**John Loosemore**
Chair of Trustees

**Paul Francis**
Trustee

# Independent Examiner's Report
# To the Members of South Wales Law Centre
# For the Year to 31 March 2021

**Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.**

I report on the accounts of South Wales Law Centre for the year ended 31 March 2021 set out on pages 3 to 19.

**Respective responsibilities of trustees and independent examiner**

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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 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 the 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 you as 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.

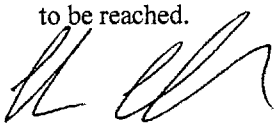
**Independent examiner's statement**

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

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, 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 by Charities have not been met; or

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



.....

**Steve Ellum**
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 11th October 2021

# Statement of Financial Activities (including income and expenditure account) for the Year Ended 31 March 2021

| | Notes | Unrestricted Funds General 2021 | Unrestricted Funds Designated 2021 | Restricted Funds 2021 | Total 2021 | Total 2020 |
|---|---|---|---|---|---|---|
| | | | £ | £ | £ | £ |
| **Income from:** | | | | | | |
| **Donations and legacies** | 3 | 1,347 | 19,931 | - | 21,278 | 20,630 |
| **Charitable activities** | 5 | 172,000 | - | 229,989 | 401,989 | 248,071 |
| **Other** | 6 | - | 17,961 | - | 17,961 | 2,244 |
| **Total Income** | | 173,347 | 37,892 | 229,989 | 441,228 | 270,945 |
| **Expenditure on:** | | | | | | |
| **Raising Funds** | 7 | 14,883 | - | - | 14,883 | 11,078 |
| **Charitable activities** | 8 | 128,403 | - | 229,989 | 358,392 | 233,191 |
| **Total Expenditure** | | 143,286 | - | 229,989 | 373,275 | 244,269 |
| **Net income/ Net movement in funds** | | 30,061 | 37,892 | - | 67,953 | 26,676 |
| **Reconciliation of Funds** | | | | | | |
| Total funds brought forward | | 395,253 | - | - | 395,253 | 368,577 |
| **Total funds carried forward** | | 425,314 | 37,892 | - | 463,206 | 395,253 |

**The notes on pages 11 to 20 form part of these financial statements.**

# Balance Sheet
# at 31 March 2021

| | Notes | 2021 £ | 2021 £ | 2020 £ | 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | | 318,327 | | 322,014 |
| **Total fixed assets** | | | 318,327 | | 322,014 |
| **Current assets** | | | | | |
| Debtors | 12 | 22,482 | | 28,482 | |
| Cash at bank and in hand | | 186,674 | | 139,164 | |
| | | 209,156 | | 167,646 | |
| Creditors: Amounts falling due within one year | 13 | (64,277) | | (94,407) | |
| **Net current assets** | | | 144,879 | | 73,239 |
| **Total assets less current liabilities** | | | 463,206 | | 395,253 |
| **Net assets** | | | 463,206 | | 395,253 |
| **Represented by:** | | | | | |
| Unrestricted funds | 14 | | 463,206 | | 395,253 |
| Restricted funds | 15 | | - | | - |
| | | | 463,206 | | 395,253 |

For the 12 months ending 31 March 2021, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

These financial statements were approved and authorised for issue by the trustees on ~~XX XXXX~~ 01 OCT 2021 and signed on their behalf by:

**John Loosemore**
Chair of trustees

**Paul Francis**
Trustee

Company Number: 7550894

## Notes to the Accounts for the year ended 31 March 2021

### 1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Total income has increased to £441k and the trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### 1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether "capital" 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 reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

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.

**Notes to the Accounts for the year ended 31 March 2021**

### 1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

*Raising Funds* represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

*Charitable activities* represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

*Governance* represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

*Support costs* are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

### 1.4 Fund accounting

The charity maintains various types of funds as follows:

*General unrestricted funds* represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

*Designated funds* represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

*Restricted funds* represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

### 1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

| | | |
|---|---|---|
| Freehold Land and Buildings | - | Straight Line over 50 years |
| Fixtures fittings and equipment | - | 20% straight line |

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of this costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

**Notes to the Accounts for the year ended 31 March 2021**

### 1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

### 1.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

### 2 Net income / (expenditure)

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| The net income / (expenditure) for the year is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets: | | |
| Owned assets | 3,687 | 3,687 |

### 3 Donations and Legacies

| | Unrestricted General Funds 2021<br>£ | Unrestricted Designated Funds 2021<br>£ | Total Funds 2021<br>£ | Total Funds 2020<br>£ |
|---|---|---|---|---|
| Regular Donations | - | 11,325 | 11,325 | 11,658 |
| Ad-Hoc Donations | - | 6,002 | 6,002 | 6,297 |
| Tax Reclaimed | - | 2,604 | 2,604 | 2,675 |
| | - | 19,931 | 19,931 | 20,630 |
| Government Grants: | | | | |
| Coronavirus Job Retention Scheme | 1,347 | - | 1,347 | - |
| | 1,347 | 19,931 | 21,278 | 20,630 |

### 4 Total income

| | Total 2021<br>£ | Total 2020<br>£ |
|---|---|---|
| Donations and legacies | 21,278 | 20,630 |
| Grants from local authorities and trusts | 401,989 | 248,071 |
| Other income | 17,961 | 2,244 |
| | 441,228 | 270,945 |

## Notes to the Accounts for the year ended 31 March 2021

### 5 Income from charitable activities

| | Unrestricted General funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---|---|---|---|---|
| Local Authority Grants (Cardiff County Council) | 60,000 | - | 60,000 | 70,000 |
| AB Charitable Trust | 15,000 | - | 15,000 | 20,000 |
| Sheldon Trust | 5,000 | - | 5,000 | 5,000 |
| Community Justice Fund | 92,000 | - | 92,000 | - |
| Legal Educational Foundation | - | 57,031 | 57,031 | 78,230 |
| Therium Access | - | 34,260 | 34,260 | 9,382 |
| Access to Justice Foundation | - | 42,891 | 42,891 | 19,346 |
| Lloyds Bank Foundation for England and Wales | - | 24,608 | 24,608 | 16,322 |
| Welsh Government Single Advice Fund | - | 65,943 | 65,943 | 16,271 |
| Community Foundation Wales | - | 5,256 | 5,256 | - |
| Reaching Justice Wales | - | - | - | 3,920 |
| LCN Guardian Appeal | - | - | - | 9,600 |
| | 172,000 | 229,989 | 401,989 | 248,071 |

### 6 Other Income

| | Unrestricted Designated Funds 2021 £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|---|---|---|
| Rents received | 2,175 | 2,175 | 2,160 |
| Secondment Fees | 15,708 | 15,708 | - |
| Other | 78 | 78 | 84 |
| | 17,961 | 17,961 | 2,244 |

### 7 Costs of raising funds

| | Unrestricted Total Funds 2021 £ | Unrestricted Total Funds 2020 £ |
|---|---|---|
| Fundraising | 14,883 | 11,078 |

Costs of raising funds includes employment costs of £11,119 (2020: £9,544).

**Notes to the Accounts for the year ended 31 March 2021**

## 8 Cost of charitable activities – by fund type

| | Unrestricted General funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|---|
| Provision of legal advice | 128,403 | 229,989 | 358,392 | 233,191 |

## 9 Cost of charitable activities – by activity

| | Activities undertaken 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|---|---|---|---|
| Provision of legal advice | 286,924 | 71,468 | 358,392 | 233,191 |

Activities undertaken directly include employment costs of £274,603 (2020: £190,911). Support costs consist of office costs, travel costs and depreciation and include governance costs of £3,180 (2020: £3,120).

## 10 Staff numbers and cost

Employment costs

| | 2021 £ | 2020 £ |
|---|---|---|
| Wages and salaries | 260,712 | 179,858 |
| Social security costs | 17,661 | 11,573 |
| Pension costs | 7,347 | 5,093 |
| Redundancy costs | - | 7,874 |
| | 285,720 | 204,398 |

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

| | 2021 | 2020 |
|---|---|---|
| Charitable Activities | 11 | 8 |
| Administration | 1 | 1 |
| | 12 | 9 |

**Notes to the Accounts for the year ended 31 March 2021**

## 11 Fixed assets - Tangible

| | Freehold Property | Fixtures Fittings & Equipment | Total Assets |
|---|---|---|---|
| **Cost** | | | |
| At 1 April 2020 | 346,393 | 22,179 | 368,572 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At 31 March 2021 | 346,393 | 22,179 | 368,572 |
| **Depreciation** | | | |
| At 1 April 2020 | 25,897 | 20,661 | 46,558 |
| Charge for the year | 2,927 | 760 | 3,687 |
| Disposals | - | - | - |
| At 31 March 2021 | 28,824 | 21,421 | 50,245 |
| **Net Book Value** | | | |
| At 31 March 2021 | 317,569 | 758 | 318,327 |
| At 31 March 2020 | 320,496 | 1,518 | 322,014 |

## 12 Debtors

| | 2021 £ | 2020 £ |
|---|---|---|
| Prepayments and accrued income | 21,168 | 27,141 |
| Other debtors | 1,314 | 1,341 |
| | 22,482 | 28,482 |

Other debtors include Gift Aid tax recoverable of £211 (2020: £203).

## 13 Creditors: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|---|---|---|
| Trade creditors | 562 | 165 |
| Other taxes and social security | 5,363 | 4,752 |
| Accruals and deferred income | 56,770 | 89,390 |
| Other creditors | 1,582 | 100 |
| | 64,277 | 94,407 |

Included in Accruals is deferred income of £55,420 (2020: £88,160) which relates to activities taking place after the year end.

**Notes to the Accounts for the year ended 31 March 2021**

## 14 Unrestricted funds

| | Balance at 1 Apr 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2021 £ |
|---|---|---|---|---|---|
| General funds | 395,253 | 173,347 | (143,286) | - | 425,314 |
| Designated Funds | - | 37,892 | - | - | 37,892 |
| | 395,253 | 211,239 | (143,286) | - | 463,206 |

The Designated Funds are those unrestricted funds raised during the year and designated to help meet continued increased demand caused by the Covid-19 pandemic.

## 15 Restricted funds

| | Balance at 1 Apr 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance at 31 Mar 2021 £ |
|---|---|---|---|---|---|
| Legal Educational Foundation | - | 57,031 | (57,031) | - | - |
| Therium Access | - | 34,260 | (34,260) | - | - |
| Access to Justice Foundation | - | 42,891 | (42,891) | - | - |
| Lloyds Bank Foundation For England and Wales | - | 24,608 | (24,608) | - | - |
| Welsh Government Single Advice Fund | - | 65,943 | (65,943) | - | - |
| Community Foundation Wales | - | 5,256 | (5,256) | - | - |
| | - | 229,989 | (229,989) | - | - |

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Therium Access** grant was to train a solicitor in social welfare law.

The **Access to Justice Foundation** grant was for to pay for management costs for service, development and evaluation.

The **Lloyds Bank Foundation for England and Wales** grant was to provide housing advice.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

The **Community Foundation Wales** grant was part of the Wales Coronavirus Resilience Fund and used for the purchase of equipment to allow the office to re-open safely.

## Notes to the Accounts for the year ended 31 March 2021

### 16 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|---|---|---|---|
| Tangible assets | 318,327 | - | 318,327 | 322,014 |
| Cash at bank and in hand | 186,674 | - | 186,674 | 139,164 |
| Other net current assets/ (liabilities) | (41,795) | - | (41,795) | (65,925) |
| | 463,206 | - | 463,206 | 395,253 |

### 17 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 18 Related parties

The charity is connected with the following organisations:-

1. The Salt Trust;
2. Hope CIO.

The Salt Trust is related as two of the trustees of the charity served as trustees of the South Wales Law Centre during the financial year. These were Norman Adams and Steve Williams. During the year gifts of £52 (2020: £52) were received from The Salt Trust. There were no outstanding balances at the year end.

Hope CIO is related as three of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis, Rachel Treseder and Nkini Pulei. Payments of £2,160 (2020: £2,160) were received from Hope CIO. There were no outstanding balances at the year end.

The total amount of donations received during the year from related parties was £772 (2020: £772).

### 19 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

### 20 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

**Notes to the Accounts for the year ended 31 March 2021**

**21 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2020**

| | Unrestricted funds £ | Restricted funds £ | Total 2020 £ |
|---|---|---|---|
| **Income from:** | | | |
| **Donations and legacies** | 20,630 | - | 20,630 |
| **Charitable activities** | 98,920 | 149,151 | 248,071 |
| **Other** | 2,244 | - | 2,244 |
| **Total Income** | 121,794 | 149,151 | 270,945 |
| **Expenditure on:** | | | |
| **Raising Funds** | 11,078 | - | 11,078 |
| **Charitable activities** | 84,040 | 149,151 | 233,191 |
| **Total Expenditure** | 95,118 | 149,151 | 244,269 |
| **Net income/(expenditure) Net movement in funds** | 26,676 | - | 26,676 |
| **Reconciliation of Funds** | | | |
| Total funds brought forward | 368,577 | - | 368,577 |
| **Total funds carried forward** | 395,253 | - | 395,253 |