

**PRO BONO COMMUNITY**  
(A Charitable Incorporated Organisation)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31ST AUGUST 2022**



**Charity No: 1153220**  
**Company No: CE000028**

**PRO BONO COMMUNITY**

**TRUSTEES' REPORT AND ACCOUNTS**

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# **PRO BONO COMMUNITY**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31ST AUGUST 2022**

The trustees present their annual report and financial statements of the charity for the year ended 31st August 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and 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.

#### **OBJECTIVES AND ACTIVITIES**

##### **Purposes of the charity**

As set out in its constitution, Pro Bono Community's vision is to improve access to justice through legal education and to act in the public benefit. Pro Bono Community's objects are:

The objects of the CIO are for the public benefit:

- (a) The advancement of legal education and the study of law;
- (b) The prevention and relief of poverty, hardship and distress through the promotion of effective legal education and training in the areas of law most likely to affect those in poverty or need and to the benefit of those in poverty or need and the provision of free legal advice and assistance to people who are unable to afford to pay for such advice; and
- (c) The promotion of the sound administration and development of the law.

##### **Aims and Objectives**

Pro Bono Community ('PBC') is a registered charity which provides specialist training to equip lawyers, trainees and law students with the skills and expertise to become effective volunteers, before placing them in advice agencies and clinics. By training volunteers and providing them with volunteering placements, we aim to increase the amount – and improve the quality – of free legal advice, in the areas of law most affecting those in need.

We have developed rigorous, specialised training courses, which are delivered by experts in the relevant field. These courses, some of which are integrated into university undergraduate and postgraduate degree programmes, aim to improve the quality of education in the advice sector in general.

We also arrange placements for the volunteers in advice agencies, and seek to help those organisations overcome the constraints on their capacity to use more volunteers effectively. Attendees of PBC's training gain valuable skills and experience in areas of the law they are unlikely to have come across either in law school or practice. We hope that our training will serve to embed the pro bono culture in the hearts and minds of young lawyers and that many of them will go on to become champions for volunteering and pro bono work in their future careers. We are increasingly making use of technology in innovative ways to achieve our aims as well as looking at ways in which the charity can become more directly involved in the delivery of advice.

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The charity's key goals over the past year were to:

- Build on the success of the City Bridge Trust project by finding a new sponsor for our core student volunteer training and placement scheme;
- Consolidate the relationships with City University, LSE and others by encouraging more universities to adopt similar models which are independently-funded and integrate PBC's training into mainstream legal education;
- Seek to expand PBC's activities outside London, particularly using the opportunity presented by the growth of remote working to link advice agencies in the regions with students based in London and elsewhere;
- Develop grant applications for projects which build on PBC's experience and expertise, particularly ones including dedicated resource for volunteer supervision and addressing the needs of people whose lives have been adversely affected by Covid-19 and its consequences;
- Build the capacity to deliver free legal advice independently through PBC's own digital advice clinic; and
- Continue to refine the training material delivered by PBC and expand into new areas where a potential demand can be identified.

#### Main Activities

**Overview:** PBC's eighth full year of operations continued to be affected by the impact of the Covid-19 pandemic on both wider society and the charity itself. During the course of the year, this was further exacerbated by the energy and cost-of-living crises which placed increased demand on the advice sector. PBC had already moved all its activities online in 2020 and, in the year to August 31st 2022, most of our training continued to be delivered online and the majority of volunteering placements we arranged were remote.

Under these circumstances, the trustees are pleased that the charity trained and placed the second highest number of volunteers in a single financial year since we were established whilst also delivering good outcomes through an innovative digital advice project run in partnership with Citizens Advice. Furthermore, the charity obtained a grant and undertook the preliminary work for a project due to start in late 2022 in which for the first time the charity would be delivering advice directly through its own advice clinic. In the year from September 2021, PBC trained cohorts of students from law firm Freshfields Bruckhaus Deringer and universities including City University, LSE, University College London, the University of Law, Goldsmiths, King's College London, BPP, University of West England, University of Hertfordshire and Royal Holloway. The income derived from sales to law firms and universities was supplemented by grant income from Therium Access and the National Lottery Community Fund.

**Training:** PBC has developed modular training courses in a variety of areas of social welfare law. The charity continued to refine its training by tailoring it to the particular needs of clients and advice agencies and offering flexibility in terms of content, format, duration, schedule and venue. The training comprises a general introduction to legal advice and the practical skills involved in volunteering before going on to focus on specialist legal advice topics including welfare benefits, housing and employment law. In 2020, the charity had put considerable effort into making its existing training content suitable for digital learning and this investment continued to pay off in 2021-22 with most of our training being delivered online.

**Volunteers:** 246 people attended PBC training programmes during the year. The majority of these volunteers went on to undertake volunteering placements at Law Centres and advice agencies and play their part in addressing the need for free legal help, a demand which was exacerbated by the pandemic, particularly in certain areas of social welfare law. In all cases, PBC facilitated these volunteering placements through the network of Law Centres and advice agencies with which it has developed relationships. Although many advice agencies had developed systems to support remote volunteering placements by this time, there continued to be delays in inducting volunteers and getting them to the stage where they were able to be productive. These delays contributed to lower levels of volunteer engagement with some volunteers dropping out before completing their placements. PBC managed this by training more volunteers per programme where it was practical to do so and working with advice agencies and volunteers to monitor attendance and engagement in order to try to anticipate potential problems. Despite these

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## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31ST AUGUST 2022

challenges, as in the previous year, PBC maximised outputs by continuing to manage and monitor the 2021-22 cohort of volunteers in the autumn of 2022 whilst also making arrangements for the next cohort.

**Grant Projects:** Therium Access awarded PBC a grant of £36,400 to train several cohorts of student volunteers and coordinate volunteering placements for them at advice agencies. This grant enabled PBC to continue a project that City Bridge Trust had supported for five years from June 2016. In the course of this project, we trained 136 students from universities including University of Law, BPP, King's College London, Royal Holloway, University of Hertfordshire and University of the West of England and placed volunteers from this programme at 22 advice agencies across the country. PBC also received a grant of £39,000 from the National Lottery Community Fund for a two-year digital advice project called "Advice Connect" which was run in partnership with Citizens Advice Haringey and commenced in October 2021.

**Accreditation:** PBC was re-commissioned for the fifth consecutive year by City University to deliver two credit-bearing Pro Bono Training modules as options within the University's undergraduate and postgraduate law degree programmes. The LLB module focused on legal advice and welfare benefits law whilst the LLM option featured housing and employment law as its specialist content. PBC delivered several other volunteer training and placement programmes which were independently-funded by LSE, UCL, University of Law and Goldsmiths. These were not credit-bearing but we hope these and other universities may look at integrating the modules into their degree courses in the future.

**Clinic Projects:** PBC is committed to finding ways to mitigate the constraints on the use of volunteers by advice agencies as a result of limited resources for supervision. In the summer of 2021 we successfully applied for a grant from the National Lottery Community Fund to set up and run a supervised digital advice clinic catering for issues exacerbated by the impact of Covid-19 in partnership with Citizens Advice Haringey. This project commenced in autumn 2021. We were also successful in gaining a grant from Trust for London to set up and run our own digital advice clinic specialising in welfare benefits appeals. We did some preliminary work for this project in the summer of 2022 but it was not due to commence until autumn 2022.

## Achievements and Performance

### Overview

During the year 246 students attended PBC training programmes across 14 cohorts which is 13% more than were trained the previous year. The trustees believe that this further demonstrates the extent to which the charity has been able to mitigate the impact of the pandemic and demonstrate high levels of resilience. Our online volunteering portal shows that, of the volunteers we trained, 158 completed placements of at least six months. PBC volunteers undertook 2,227 volunteering sessions and assisted 5,884 people in need of legal help. Below, we provide more details of a project which accounts for approximately one-third of the students we train and place.

### Student Volunteer Training and Placement Project

In October 2021, PBC obtained a grant from Therium Access to commence a one-year project which was effectively an extension of a scheme previously supported by City Bridge Trust to train law students in legal advice and social welfare law and then arrange and manage placements for them to work as volunteers at advice agencies. In order to mitigate higher levels of volunteer disengagement as a result of delays at advice agencies in inducting and engaging with volunteers working remotely, PBC trained substantially more volunteers than originally anticipated and extended the project by several months. By the end of December 2022, the project had achieved the following headline outputs:

Target law students trained: 80  
Actual law students trained: 136

Target volunteer days/sessions undertaken: 1,040  
Actual volunteer days/sessions undertaken: 989

Target client interactions: 3,000  
Actual client interactions: 3,655

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### FOR THE YEAR ENDED 31ST AUGUST 2022

Target cost per person assisted: £12

Actual cost per person assisted: £10

During the course of the project, volunteers were placed at the following Law Centres and advice agencies: Age UK Islington, Age UK Lambeth, Money A & E, Citizens Advice Haringey, Sufra NW London, Citizens Advice Guildford, Kingston Advocacy Group, South West London Law Centres, Disability Law Service, Southwark Pensioners, Citizens Advice Harrow, Citizens Advice Richmond, Richmond AID, Advance Charity, Citizens Advice Wandsworth, Arachne, Account 3, Citizens Advice Waltham Forest, Island Advice Centre and Citizens Advice West Sussex.

The volunteers undertook a wide range of tasks depending on their skills, confidence, experience and the needs of the Law Centre or advice agency at which they were volunteering. The typical activities of volunteers involved triaging and exploring issues with clients, discussing the cases with supervisors, drafting advice and then delivering that advice to client. During the year, volunteers were heavily involved in assisting clients with financial problems arising from the impact of the pandemic. Tasks undertaken by volunteers in this respect included: assisting clients to complete benefits and other application forms such as Universal Credit applications, ESA50 forms and PIP applications; appealing PIP decisions, undertaking research and drafting appeal documents; attending appeals with clients; assisting clients to maximise income; interviewing and assisting clients remotely using video conferencing platforms, telephone and email – with many volunteers working on advice lines focusing on employment queries, benefits, and other debt-related queries.

Feedback from advice agencies included the following:

*"In her time with us Emily Yang has achieved successful outcomes for clients, including a successful application for Attendance Allowance for a vulnerable client at risk of poverty. Emily's diligent and meticulous work included understanding and interpreting the criteria, completing a lengthy application booklet, making astute observations and undertaking detailed discussions with the client. Emily's work resulted in securing additional regular income for the client, helping to protect her from isolation and poverty."*

*Arachne Greek Cypriot Women's Group*

*"Myo Zaw helped gather and present the evidence that showed the client's landlord had broken the law. They subsequently drafted a Rent Repayment Order Application for a client which led to a positive outcome for the client and they were able to recover the majority of many thousands of pounds of rent." Justice For Tenants*

*"Whilst Bridgit has been with me she has been dealing with my most difficult and vulnerable clients. She moves them through their tasks efficiently with support and patience. Without Bridgit supporting my clients they would not have got initial legal advice and most likely have dropped out of contact with the service."*

*South West London Law Centres*

*"Barnaby was an excellent volunteer, engaged well and showed fantastic dedication. He no longer volunteers with us because we offered him a job!"*

*Citizens Advice Kensington & Chelsea*

#### University Accreditation

One of PBC's strategic objectives is to integrate our training into mainstream legal education, thus increasing the level of support advice agencies receive from well-trained and highly-motivated student volunteers, whilst also developing a positive attitude towards pro bono work in young lawyers and making social welfare law part of the curriculum.

The charity took an important step towards achieving this objective when it formed a partnership with City University whereby PBC delivered a credit-bearing, pro bono training module to City University's undergraduate law students from October 2017. In 2018-19, the university commissioned a second credit-bearing module for postgraduate students doing the LLM/BPTC. Both these modules were re-commissioned in 2019-20, 2020-21 and 2021-22. PBC also delivered training and placement programmes for LSE, UCL, University of Law and Goldsmiths. These were not credit-bearing but we hope these and other universities may look at integrating the modules into their degree courses in the future.

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#### **Expand PBC's Activities to New Regions**

In previous years, PBC has struggled to develop sustainable relationships with advice agencies outside London because these were dependent on participating universities and law firms being located sufficiently nearby for volunteers to travel to the workplace. Following the pandemic and the widespread introduction of remote working, PBC was able to place volunteers at advice agencies including Citizens Advice Doncaster, Citizens Advice Waverley, Citizens Advice Guildford, Citizens Advice Peterborough, Citizens Advice West Sussex and Citizens Advice Waltham Forest. As a result, 13% of clients receiving assistance from PBC volunteers lived outside London.

#### **Developing Legal Advice Projects**

PBC is committed to finding ways to mitigate the constraints on the use of volunteers by advice agencies as a result of limited resources for supervision. Furthermore, the charity has sought to develop grant applications for projects which address the needs of people whose lives have been adversely affected by Covid-19 and its consequences.

In the summer of 2021 we successfully applied for grants to undertake digital advice projects from the National Lottery Community Fund (NLCF) and Trust for London (TfL). Both grant applications were successful and designed to provide end-to-end digital advice in which all participants – trainers, supervisors, administrators, volunteers and clients – are located remotely.

The NLCF "Advice Connect" project is run in partnership with Citizens Advice Haringey and commenced in October 2021 for two years. It is targeted at people living in the private rented sector in Haringey experiencing difficulties with housing, employment and debt, a group that has been disproportionately affected by the pandemic and its economic impact. The project suffered some early setbacks, mainly relating to staff turnover at Citizens Advice Haringey which impacted on volunteer retention and engagement. Nevertheless, by the end of the year, Advice Connect delivered advice to 217 clients presenting to the clinic with 466 issues. The majority of the issues dealt with by the clinic have been housing matters including: homelessness (threatened and actual), harassment, rent adjustments, rent arrears, repairs & maintenance, tenancy deposit protection, fitness for human habitation, tenancy agreements, security of tenure, suitability of accommodation, possession actions, illegal evictions, discrimination and anti-social behaviour. Other issues include welfare benefits matters such as problems with Housing Benefit, Jobseeker's Allowance, Employment & Support Allowance, Personal Independence Payment and Universal Credit as well as matters relating to debt including Council Tax arrears, debt assessments and debt repayments. 30% of the clinic's clients are disabled or suffer from long-term health conditions. 68% of clients are under 40 years of age and 43% are of Black, Asian or minority ethnic heritage.

The Trust for London grant which provided funding towards a digital advice clinic run by Pro Bono Community itself and specialising in welfare benefits appeals was approved in 2021 but was not scheduled to commence until autumn 2022.

#### **Training Programmes**

All PBC's training prior to March 2020 had been delivered face-to-face so the charity's decision to move all its training online for the foreseeable future represented a major challenge. We trialled various tools and settled on Zoom as the most effective and reliable platform for digital training and adapted training materials to make them more suitable for online delivery. The majority of the training we provided in the year from September 2021 was live and remote. Although it is difficult to replicate the intimacy of classroom teaching, we are confident that our online training remains interactive and engaging - feedback from attendees has continued to be overwhelmingly positive and comparable with that received in previous years for classroom teaching.

#### **Our volunteers**

Although we train and place volunteers in other organisations, this year the charity did not itself use volunteers.

#### **Public benefit statement**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

# PRO BONO COMMUNITY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31ST AUGUST 2022

#### FINANCIAL REVIEW

The financial results for the year are set out in the Statements of Financial Activities on page 13. The charity recorded an overall net deficit of £2,461 (2021 – net deficit of £27,341). The financial position at the year revealed by the Balance Sheet on page 14 shows net current assets or working capital of £62,604 (2021 – £65,065).

#### Principal funding sources

The charity aims to develop a diverse funding base for its activities. Pro Bono Community continues to attract funding for its various projects from a wide range of other sources – charitable trusts, private companies, individual donations and the charity's own income generating activities (having regard to HMRC and Charity Commission guidance relating to "Charities and Trading").

#### Investment powers and policy

The trustees have considered the most appropriate policy for investing surplus funds and have found that, at this stage, bank deposit accounts provide the appropriate combination of security, accessibility and income growth.

#### Reserves policy

As at 31st August 2022 accounts showed reserves of £62,604 (2021 - £65,065), of which £12,595 (2021 - £Nil) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £50,009 (2021 - £65,065).

The trustees seek to ensure that the level of reserves are appropriate for the charity, balancing the need to keep funds aside to mitigate risk against the need to ensure that funds can spent in furtherance of the charity's aims.

Having regard to the particular circumstances of any ongoing effects of the Covid-19 pandemic, Pro Bono Community's trustees recognised that charities face a variety of risks and that it is important that there are sufficient free reserves to tide an organisation over in difficult financial circumstances or, in the worst case, to allow an organisation to wind up at the same time as meeting its obligations to staff and service users.

The principal risk to Pro Bono Community is an unexpected shortfall in either sales or grant income and the trustees have agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period in the event of severe financial difficulties.

The main concerns of the board are to ensure:

- That staff can continue working, primarily to secure new sales or grant funding; and
- That any service for which income has already been received can be properly fulfilled.

The trustees met regularly during 2021-22 to monitor the ongoing impact of the pandemic on the charity's finances and agreed to maintain a level of unrestricted reserves which would keep the charity running for at least six months and up to a year until more was understood about any continuing impact of the crisis on the charity's income streams.

The approach to reserves is under regular review by the trustees –the trustees have regard to the Charity Commission's guidance "How to set a reserves policy for your charity".

#### FUTURE ACTIVITIES

PBC's principal strategic objective is to address the urgent and growing need for increased access to high-quality pro bono advice from well-trained and highly-motivated volunteers at Law Centres and other advice agencies. This mission is even more urgent in the light of the coronavirus pandemic and the subsequent economic effects of the energy and cost-of-living crises, causing people who have never needed advice before to seek assistance with problems related to employment, housing, welfare benefits, debt and other areas of social welfare law.

The charity is also focused on ensuring the charity remains active, effective and resilient in the face of the challenges



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### **FOR THE YEAR ENDED 31ST AUGUST 2022**

presented by the pandemic. In that context, our aim is to grow the outputs of the charity by building on our income-generating activities and seeking new sources of grant funding.

Additionally, the range of objectives during 2022-23 and beyond include, but are not limited to, the following:

- Build on the success of the City Bridge Trust and Therium Access projects by finding a new sponsor for our core student volunteer training and placement scheme;
- Consolidate the relationships with City University, LSE, UCL, Goldsmiths and others by encouraging more universities to adopt similar models which are independently-funded and integrate PBC's training into mainstream legal education;
- Continue to expand PBC's activities outside London, particularly using the opportunity presented by the growth of remote working to link advice agencies in the regions with students based in London and elsewhere;
- Undertake grant projects which build on PBC's experience and expertise, particularly ones including dedicated resource for volunteer supervision and addressing the needs of people whose lives have been adversely affected by Covid-19 and subsequent energy and cost-of-living crises;
- Build the capacity to deliver free legal advice independently through PBC's own digital advice clinic; and
- Continue to refine the training material delivered by PBC and expand into new areas where a potential demand can be identified.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The organisation is a charitable incorporated organisation (CIO) registered as a charity with the Charity Commission on 2 August 2013 (Charity no. 1153220). The charity is established under a written constitution that specifies the objects and powers of the charity and is also governed under this constitution.

### **Recruitment and appointment of Trustees**

New trustees of PBC are appointed by the board of trustees in accordance with clause 9 of PBC's constitution.

PBC recruits and appoints trustees in accordance with the following process:

- The trustees publish an advertisement with a Role Description;
- Interested persons are invited to contact the existing trustees, upon which they are provided with an Application Form, Declaration of Eligibility Forms and the details of current trustees – completion of eligibility forms, including the Charity Commission's trustee declaration, is a requirement pre-appointment of any proposed trustee;
- Applicants are shortlisted and invited for interview, in accordance with internal selection criteria;
- Following a successful interview, the proposed candidate is presented to the board of trustees for approval and formal appointment;
- Successful candidates are notified and formally appointed by the board of trustees.

### **Trustee induction and training**

The trustees maintain a good working knowledge of charity governance and best practice through reading of charity press articles and guidance produced by the Charity Commission and other Government and voluntary organisation advisory websites. New trustees are given copies of previous minutes as appropriate and attend an induction session given by an experienced trustee.

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### **FOR THE YEAR ENDED 31ST AUGUST 2022**

#### **Organisational Structure**

The board of trustees takes strategic and major financial decisions. The trustees of PBC have delegated day-to-day management of PBC to executive director Bill Skirrow who, in turn, supervises the work of the operations manager and/or part-time training and volunteer coordinator as well as any external suppliers and freelance assistance such as trainers and consultants. In May 2022, PBC appointed a full-time operations manager with responsibility for the operational activities of the charity. The executive director works with the trustees to deliver the objectives set out in PBC's business plan and in the terms and conditions of its grants. The executive director and operations manager supervise and manage the charity's relationships with partner organisations including law firms, course providers, law centres, advice agencies, suppliers and other third sector organisations.

#### **Risk Management**

The trustees have considered the major risks to which PBC is exposed and have reviewed those risks and established systems and procedures to manage them.

PBC's trustees consider that the principal risk to PBC is an unexpected shortfall in either sales or grant income. The charity mitigates this risk in the following ways:

- PBC's income is derived from both sales and grant income, enabling the charity to spread the risk from a shortfall in one income stream or the other.
- PBC has a very lean infrastructure and outsources the majority of its service provision to third parties who are not themselves paid until the relevant income has been received by PBC.
- PBC maintains a level of reserves which would permit it to continue operations for a period of time if such a shortfall were experienced.

The trustees also consider ensuring that funds are properly managed and accounted for is a major risk and the measures put in place to manage this risk include the Board of Trustees receiving regular financial reports from the Executive Director who takes routine day-to-day financial decisions. The Chairman, Secretary, Treasurer, Executive Director and selected trustees have access to the charity's bank account and monitor payments in and out of the account on a regular basis. No payments of more than £500 may be made without the authorisation of two of the designated account operators. The charity's payroll is handled by accountancy firm Ramon Lee.

#### **Related parties**

PBC is one of several organisations that worked from the National Pro Bono Centre in Chancery Lane until June 2020. These organisations all operate within the field of pro bono legal assistance but there is no constitutional relationship between PBC and any other organisation. PBC has established informal relationships with organisations in the sector including The London Legal Support Trust, Advice Services Alliance, Advocate, Advice UK, Law Centres Network and LawWorks. PBC has developed a relationship with a number of universities to embed the charity's training and placement scheme in either their undergraduate and postgraduate degree courses or extra-curricular activities.

# PRO BONO COMMUNITY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31ST AUGUST 2022

#### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity name:</b>	Pro Bono Community
<b>Charity Number:</b>	1153220
<b>Trustees:</b>	Oliver Hyams (Chair, resigned 19 April 2023) Livia Velicu (Co-Vice Chair and Secretary to 18 April 2023, appointed Chair 19 April 2023) Dinah Crystal OBE (Co-Vice Chair, resigned 19 January 2023) Omar Qadir (Treasurer) David Dowling (Resigned 19 April 2023) The Honourable Mr Justice Adam Johnson Steve Levett Daniel Laking Stephanie Cunningham (Resigned 19 April 2023) Claire Marshall (Appointed 19 April 2023)
<b>Senior Management:</b>	Bill Skirrow – Executive Director
<b>Registered Office:</b>	93 Tabernacle Street, London EC2A 4BA
<b>Correspondence Address:</b>	93 Tabernacle Street, London EC2A 4BA
<b>Independent Examiner:</b>	Mr D Terry, Ramon Lee Ltd, 93 Tabernacle Street, London EC2A 4BA
<b>Bankers:</b>	Triodos Bank, Deanery Road, Bristol BS1 5AS

#### TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable incorporated organisation will continue in business.

**PRO BONO COMMUNITY**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31ST AUGUST 2022**

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

6/27/2023

This report was approved by the Trustees on ..... and signed on its behalf:

DocuSigned by:  
  
.....D0FBQ6E43C29459.....  
**Livia Velicu**  
**(Chair - appointed in April 2023)**

# REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF

## PRO BONO COMMUNITY

I report to the trustees on my examination of the accounts of Pro Bono Community (Charitable Incorporated Organisation) for the year ended 31 August 2022 which are set out on pages 12 to 22.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my Independent Examination, for this report, or for the opinions I have formed.

### Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

**DocuSigned by:**



BFA6442682BF4CE...

**D TERRY – Chartered Accountant**  
**RAMON LEE LTD**  
**93 TABERNACLE STREET**  
**LONDON EC2A 4BA**

6/28/2023

**Date:.....**

**PRO BONO COMMUNITY**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31ST AUGUST 2022**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income</b>					
Income from charitable activities	3	51,750	100,403	152,153	116,764
Investment income	4	30	-	30	54
<b>Total income</b>		<b>51,780</b>	<b>100,403</b>	<b>152,183</b>	<b>116,818</b>
<b>Expenditure</b>					
Cost of raising funds	5	23,081	-	23,081	20,798
Charitable activities	5	43,754	87,808	131,562	123,361
<b>Total expenditure</b>		<b>66,835</b>	<b>87,808</b>	<b>154,643</b>	<b>144,159</b>
<b>Net income/(expenditure) before transfer between funds</b>		(15,056)	12,595	(2,461)	(27,341)
<b>Transfer between funds</b>		-	-	-	-
<b>Net income/(expenditure) after transfer between funds</b>		(15,056)	12,595	(2,461)	(27,341)
<i>Reconciliation of funds</i>					
Total funds, brought forward		65,065	-	65,065	92,406
<b>Total funds, carried forward</b>		<b>50,009</b>	<b>12,595</b>	<b>62,604</b>	<b>65,065</b>

**CONTINUING OPERATIONS**

None of the Charity's activities were acquired or discontinued during the above two financial periods.

**TOTAL RECOGNISED GAINS AND LOSSES**

The charity has no recognised gains or losses other than the above movement in funds for the above two financial periods.

## PRO BONO COMMUNITY

## BALANCE SHEET AS AT 31ST AUGUST 2022

	Notes	2022		2021	
		£	£	£	£
<b>Current assets</b>					
Debtors	11	1,578		996	
Cash at bank and in hand		<u>73,025</u>		<u>72,449</u>	
		74,604		73,445	
<b>Liabilities</b>					
Creditors falling due within one year	12	<u>(12,001)</u>		<u>(8,380)</u>	
<b>Net current assets</b>			62,604		65,065
<b>Net assets</b>			<u><b>62,604</b></u>		<u><b>65,065</b></u>
<b>The funds of the charity:</b>					
Unrestricted funds	13	50,009		65,065	
Restricted funds	13	12,595		-	
<b>Total charity funds</b>			<u><b>62,604</b></u>		<u><b>65,065</b></u>

6/28/2023

Approved by the Trustees on ..... and were signed on its behalf by:

DocuSigned by:

Livia Velicu

D0FBC6E43C29459...

..... LIVIA VELICU (CHAIR – APPOINTED IN APRIL 2023)

DocuSigned by:

Omar Qadir

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..... OMAR QADIR (TREASURER)

The notes on pages 15 to 23 form part of these accounts

# PRO BONO COMMUNITY

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31ST AUGUST 2022

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of accounts

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

Pro Bono Community meets the definition of a public benefit entity under FRS 102.

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

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

##### 1.2 Legal status of the charity

The organisation is a charitable incorporated organisation (CIO) registered as a charity with the Charity Commission on 2 August 2013 (Charity no. 1153220). The charity is established under a written constitution that specifies the objects and powers of the charity and is also governed under this constitution.

##### 1.3 Preparation of accounts on a going concern basis

The Charity's Accounts shows Net deficit of £2,461 (2021 – Net deficit £27,341) for the year and free reserves of £50,009 (2021 - £65,065). The trustees are of the view that these results have secured the immediate future of the Charity for the next 12 months and on this basis the Charity is a going concern.

##### 1.4 Fund's structure

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

##### 1.5 Income

All income is included in the statement of financial activities when the Charity is legally entitled to it, receipt is probable and the amount can be measured with sufficient reliability.

##### Grant income

Grants are credited to the statement of financial activities when the Charity is entitled to the funds. Income is only deferred where there are time constraints imposed by the donor or if the funding is performance related.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met.

Grants supporting the core activities of the Charity and with no specific restrictions placed upon their use are included within donations and legacies. Grants that have specific restrictions placed upon their use are included within income from charitable activities.

Capital grants for the purchase of fixed assets are credited to restricted incoming resources on the earlier date of when they are received or receivable. Depreciation on the related fixed assets is charged against the restricted fund.



**PRO BONO COMMUNITY**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST AUGUST 2022**

**1.5 Income (Cont/d)**

**Donations and legacies**

Donations are recognised in the period in which they are received. Legacy income is recognised when the charity's entitlement is judged to be probable and where the amount can be reliably measured.

**Contract income**

Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.

**1.6 Donated goods and services**

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated professional services and facilities are included in income at the estimated value of the gift to the charity when received, based on the amount that the charity would have been prepared to pay for these services or facilities had it been required to purchase them, with a corresponding entry in the appropriate expenditure heading for the same amount. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

**1.7 Expenditure and irrecoverable VAT**

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

All expenditure is accounted for on an accruals basis under the following headings:

- (a) Cost of raising funds includes staff time used to raise grants and donations and their associated support costs.
- (b) Expenditure on charitable activities include expenditure associated with the main objectives of the Charity and include both direct costs and their associated support costs.

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

**1.8 Allocation of support costs**

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

**1.9 Volunteers**

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution is provided in the trustees' report.

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

## PRO BONO COMMUNITY

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31ST AUGUST 2022

##### **1.11 Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### **1.12 Creditors**

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

##### **1.13 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### **1.14 Taxation**

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

##### **1.15 Judgement and key sources of estimation uncertainty**

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

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

##### **1.16 Pension**

The Charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

##### **1.17 Cash flow statement**

The charitable incorporated organisation qualifies as a small charity and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 2, not to prepare a cash flow statement.

**PRO BONO COMMUNITY**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST AUGUST 2022**

**2. DONATIONS**

Donations income in 2022 and 2021 was Nil.

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
City Bridge Trust	-	-	-	28,125
National Lottery Community Fund	-	63,985	63,985	39,289
Therium Access Limited	-	36,418	36,418	-
Training fees and sponsorship	51,750	-	51,750	49,350
	<u>51,750</u>	<u>100,403</u>	<u>152,153</u>	<u>116,764</u>

Income from charitable activities in 2021 totalling £116,764 was attributed £49,350 to unrestricted funds and £67,414 to restricted funds.

**4. INVESTMENT INCOME**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Interest Income	30	-	30	54
	<u>30</u>	<u>-</u>	<u>30</u>	<u>54</u>

Investment income in 2021 totalling £54 was attributed to unrestricted funds.

**PRO BONO COMMUNITY****NOTES TO THE ACCOUNTS (Cont/d)****FOR THE YEAR ENDED 31ST AUGUST 2022****5. ANALYSIS OF EXPENDITURE**

	<b>Raising funds</b>	<b>Legal advice training</b>	<b>Total  2022</b>	<b>Total  2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salary costs	17,085	42,501	59,586	58,751
Other direct costs	-	35,734	35,734	37,466
Grant to Institutions (Note 7)	-	30,541	30,541	25,646
Support costs (Note 6)	4,682	17,793	22,476	20,946
Governance costs (Note 6)	1,314	4,993	6,307	1,350
	<u>23,081</u>	<u>131,562</u>	<u>154,643</u>	<u>144,159</u>

Of the £154,643 expenditure in 2022 (2021 - £144,159), £66,835 was charged to unrestricted funds (2021 - £57,652) and £87,808 to restricted funds (2021 - £86,507).

**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 5) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

	<b>Support costs</b>	<b>Governance costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Office and administration staff	17,085	-	17,085	16,153
Communication and IT costs	2,909	-	2,909	2,292
Insurance	715	-	715	662
Staff recruitment expense	1,404	-	1,404	490
Miscellaneous expenses	363	-	363	1,349
Legal and professional fees	-	4,543	4,543	-
Independent examination fees	-	1,764	1,764	1,350
	<u>22,476</u>	<u>6,307</u>	<u>28,782</u>	<u>22,296</u>

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2022**

**7. GRANTS TO INSTITUTIONS**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Citizens Advice Haringey	30,541	25,646
	<u>30,541</u>	<u>25,646</u>

**8. NET INCOME/(EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Independent Examination Fees	1,764	1,350
	<u>1,764</u>	<u>1,350</u>

**9. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

The total staff costs were:

	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	70,710	68,150
Social security costs	2,585	3,692
Pension	3,376	3,061
	<u>76,670</u>	<u>74,903</u>

No employee received remuneration in excess of £60,000 during the year (2021 – £Nil).

No trustee or member of the Management Committee received any remuneration or reimbursement of expenses during the year (2021 - £Nil).

The key management personnel of the charity comprise the Executive Director. The total employee benefits of the key management personnel of the charity were £68,340 (2021 - £64,611).

**10. STAFF NUMBERS**

The average monthly equivalent full-time number of staff employed by the Charity during the period was as follows:

	<b>2022</b>	<b>2021</b>
Direct charitable work	1.00	1.00
Raising funds	0.25	0.25
Office and administration	0.25	0.25
	<u>1.50</u>	<u>1.50</u>

**PRO BONO COMMUNITY****NOTES TO THE ACCOUNTS (Cont/d)****FOR THE YEAR ENDED 31ST AUGUST 2022****11. DEBTORS**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Prepayments	1,578	996
	<u>1,578</u>	<u>996</u>

**12. CREDITORS: amounts falling due within one year**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Taxation and social security	1,536	680
Pension	484	-
Accruals	9,981	2,700
Deferred Income (Note 15)	-	5,000
	<u>12,001</u>	<u>8,380</u>

**13. NET MOVEMENTS IN FUNDS**

	<b>Balance as at 01.09.21 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfer £</b>	<b>Balance as at 31.08.22 £</b>
<b>Restricted funds:</b>					
National Lottery Community Fund	-	63,985	54,314	-	9,671
Therium Access Limited	-	36,418	33,494	-	2,924
	<u>-</u>	<u>100,403</u>	<u>87,808</u>	<u>-</u>	<u>12,595</u>
<b>Unrestricted funds:</b>					
General funds	65,065	51,780	66,835	-	50,009
Total funds	<u>65,065</u>	<u>152,183</u>	<u>154,643</u>	<u>-</u>	<u>62,604</u>

**PRO BONO COMMUNITY**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31ST AUGUST 2022**

**13. NET MOVEMENTS IN FUNDS (Cont/d)**

	Balance as at 01.09.20 £	Income £	Expenditure £	Transfer £	Balance as at 31.08.21 £
<b>Restricted funds</b>					
City Bridge Trust	2,356	28,125	30,481	-	-
National Lottery Community Fund	-	39,289	38,911	(378)	-
Law Society Charity	1,790	-	1,790	-	-
London Community Response Fund	15,325	-	15,325	-	-
<b>Total restricted funds</b>	<b>19,471</b>	<b>67,414</b>	<b>86,507</b>	<b>(378)</b>	<b>-</b>
<b>Unrestricted funds</b>					
General funds	72,935	49,404	57,652	378	65,065
<b>Total funds</b>	<b>92,406</b>	<b>116,818</b>	<b>144,159</b>	<b>-</b>	<b>65,065</b>

**Description, nature and purpose of restricted funds:**

**City Bridge Trust:** Grant towards a part-time salary, training costs and overheads to train law students to volunteer in community advice agencies.

**Law Society Charity:** Grant towards activities in London.

**London Community Response Fund:** Grant funding for a digital advice clinic project in June 2020.

**National Lottery Community Fund:** Funding a digital advice project operated in partnership with Citizens Advice Haringey supporting people with housing, welfare benefits and debt problems exacerbated by the Covid-19 pandemic.

**Therium Access Limited:** Grant funding for Pro Bono Community student volunteer training and placement programmes.

**Description, nature and purpose of unrestricted funds:**

**General funds:** General fund represents funds available to spend at the discretion of the Trustees.

**PRO BONO COMMUNITY**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31ST AUGUST 2022**

**14. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>
Net current assets	50,009	12,595	62,604
	<u>50,009</u>	<u>12,595</u>	<u>62,604</u>

**Analysis of fund balances between net assets – previous year**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>
Net current assets	65,065	-	65,065
	<u>65,065</u>	<u>-</u>	<u>65,065</u>

**15. DEFERRED INCOME**

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Balance as at 1st September	5,000	2,000
Amount released to income in the year	(5,000)	(2,000)
Amount Deferred in the year	-	5,000
Balance as at 31st August	<u>-</u>	<u>5,000</u>

Deferred income represents fees received from Goldsmiths University for services delivered in 2021-2022.

**16. PENSION COSTS**

The pension cost charge represents contributions payable by the charity to the fund and amounted to £3,376 (2021 - £3,061). Contributions totalling £484 were outstanding at the year end and are included in creditors.

**17. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the year.