

Charity registration number 1153220

**PRO BONO COMMUNITY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

PRO BONO COMMUNITY

LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Oliver Hyams	(Chair, resigned on 19 April 2023)
	Livia Velicu	(Co-Vice Chair and Secretary to 19 April 2023, appointed Chair on 19 April 2023)
	Dinah Crystal OBE	(Co-Vice Chair, resigned on 19 January 2023)
	Omar Qadir	(Treasurer)
	David Dowling	(Resigned on 19 April 2023)
	The Honourable Mr Justice Adam Johnson	
	Daniel Laking	
	Stephanie Cunningham	(Resigned on 19 April 2023)
	Claire Marshall	(Appointed on 19 April 2023)
	Harriet Hall	(Appointed on 12 July 2023)
	Steve Levett	(Appointed Vice Chair on 12 July 2023)
Senior Management:	Bill Skirrow – Executive Director	
Charity number	1153220	
Registered office	93 Tabernacle Street London EC2A 4BA	
Correspondence Address:	93 Tabernacle Street London EC2A 4BA	
Independent examiner	David Terry FCA Ramon Lee Ltd Chartered Accountants 93 Tabernacle Street London EC2A 4BA	
Bankers	Triodos Bank Deanery Road Bristol BS1 5AS	

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PRO BONO COMMUNITY

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# PRO BONO COMMUNITY

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees present their annual report and financial statements for the year ended 31 August 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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 (FRS 102)" (effective 1 January 2019).

#### 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, for the public benefit. Pro Bono Community's objects are:

The objects of the CIO are for the public benefit:

- The advancement of legal education and the study of law;
- 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
- 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 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.

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

- 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 the subsequent energy and cost-of-living crises;

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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- 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 ninth full year of operations took place against the backdrop of a growing cost-of-living crisis affecting both wider society and the charity itself as well as placing increased demand on the advice sector. PBC had already moved all its activities online in 2020 and, in the year to August 31st 2023, most of our training continued to be delivered online and the majority of volunteering placements we arranged were remote although, by the end of the year, the number of in-person placements was rising.

This was the first year since 2015 in which PBC was unable to secure a grant to run training and volunteer programmes for university students without charging universities or their students, although this was partly compensated for by an increase in the number of students trained and placed through directly-commissioned programmes. We did manage to secure a five-year grant to run our core training and placement programmes from City Bridge Trust but this commenced in June 2023 so its impact largely falls outside the remit of this report.

PBC continued to deliver good outcomes through the Advice Connect digital advice project run in partnership with Citizens Advice Haringey and also commenced a new project in September 2022 which involved PBC delivering advice directly through its own advice clinic. In the year from September 2022, PBC trained cohorts of students from law firm Freshfields Bruckhaus Deringer and universities including City University, LSE, University College London, King's College London, the University of Law, Goldsmiths, BPP, SOAS and Royal Holloway. PBC also trained a cohort of lawyers from leading law firms in a project organised by advice agency Community Links and funded by law firm Clifford Chance. The income derived from sales to law firms and universities was supplemented by grant income from the National Lottery Community Fund, Trust for London and City Bridge Trust.

**Training:** PBC has developed modular training courses in a variety of areas of social welfare law. PBC 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, PBC had put considerable effort into making its existing training content suitable for digital learning and this investment continued to pay off in 2022-23 with most of our training being delivered online. PBC also sought to expand its network of freelance trainers.

**Volunteers:** 184 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 ongoing fallout from the pandemic and the impact of the energy and cost-of-living crises, 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. Most advice agencies had developed systems to support remote volunteering placements by September 2022 and the majority continued to involve volunteers working remotely. However, by summer 2023 it was clear that advice agencies were beginning to return to office-based or hybrid working and that, going forward, the balance was likely to shift back towards in-person/hybrid placements. Nevertheless, we anticipate that there will be an ongoing need for remote volunteer placements, particularly outside London.

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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**Grant Projects:** PBC received a grant of £64,000 from the National Lottery Community Fund for the second year of a two-year digital advice project called "Advice Connect" which was run in partnership with Citizens Advice Haringey and commenced in October 2021. The project experienced some challenges at the beginning of the year as a result of staff turnover at CA Haringey and the Fund gave PBC permission to extend the project to the end of 2023. PBC also obtained a grant of £45,000 per year from Trust for London to help support a two-year project delivering remote advice to clients requiring assistance with welfare benefits appeals. This project also experienced some early challenges when a key member of staff left shortly after launching the clinic. But the project was stabilised in early 2023 with the recruitment of two new supervisors. In June 2023, City Bridge Trust awarded PBC a grant of £36,000 per year to run a student volunteer training and placement programme that it had previously funded from 2016-21. Although the first cohort on this programme was trained and placed in the summer of 2023, the impact of this and subsequent cohorts will be delivered in 2023-24.

**Accredited and Extra-Curricular Volunteer Training and Placement Programmes:** PBC was re-commissioned for the sixth 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 extra-curricular volunteer training and placement programmes which were independently-funded by LSE, UCL, SOAS and Goldsmiths as well as law firm Freshfields.

#### Achievements and performance

##### Overview

During the year, 184 students attended PBC training programmes across 12 cohorts, the great majority of whom went on to undertake volunteering placements. Our online volunteering portal shows that these volunteers undertook more than 4,000 hours of volunteering during which time they assisted 3,917 people in need of legal advice and assistance. These figures exclude a substantial number of volunteers who undertook placements but failed to update their volunteer logs.

During the course of the year, PBC's volunteers were placed at the following Law Centres and advice agencies: Age UK Islington, Age UK Lambeth, Age UK Richmond, Arachne, Citizens Advice Brent, Citizens Advice Doncaster, Citizens Advice Enfield, Citizens Advice Haringey, Citizens Advice Harrow, Citizens Advice Kensington & Chelsea, Citizens Advice Peterborough, Citizens Advice Redbridge, Citizens Advice SORT, Citizens Advice Sutton, Citizens Advice Wandsworth, Citizens Advice West Sussex, Disability Law Service, East End CAB, Fair Money Advice, Justice For Tenants, Nucleus, Southwark Pensioners, Sufra, Tower Hamlets Law Centre, Toynbee Hall and Wiltshire Law Centre.

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 ongoing effects of the pandemic and the growing impact of the energy and cost-of-living crises. 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 issues.

Feedback from clients who received assistance from PBC volunteers included the following:

*Mr P is a young man with a diagnosis of bipolar disorder, depression, hypomania and anxiety. He was referred to PBC after he made an unsuccessful claim for Personal Independence Payment (PIP), and again failed at mandatory reconsideration stage. PBC volunteer Zoe took on his case, meeting with him extensively to discuss the case, collect further evidence and complete a written submission. Upon submitting these, Mr P soon received a letter from the DWP informing him that they would revise their decision in his favour, lapsing the appeal. Mr P went from nil award to an award of the enhanced rate of the daily living component of PIP and did not have to attend a tribunal hearing, avoiding a protracted waiting period and associated stress.*

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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He wrote to thank Zoe:

*"Thank you so much for your help! I really couldn't have got this result without you!"*

*Mr and Mrs H are a pensioner couple who were in receipt of Pension Credit (PC) and Attendance Allowance (AA). Mrs H had a serious eye problem which required surgery but had been told there was a very long wait for this on the NHS. They went to Latvia for the surgery which was complex and protracted. Due to their absence from the UK their PC and AA were stopped and, although they explained the reasons for the absence, they could not get their benefits reinstated. They were referred to the clinic by a local Citizens Advice office and after a long examination of the facts and timeline of events we corresponded with the DWP and benefits were fully restored with arrears of AA paid.*

Mr H was extremely grateful at the result especially as he had been trying to resolve the problem by himself for so long:

*"Thanks for your help and support, we have achieved the first and significant success. Today I received a bank statement stating that the Attendance Allowance (AA) benefit that was withheld has been paid in full for all seven months and restored. And you, Ms O'Reilly, have successfully developed and achieved a complete victory in solving the important issue of helping my wife. Nothing would have been possible without your great and comprehensive support...your work is worthy of gratitude and praise."*

#### **Core Student Volunteer Training and Placement Scheme**

From 2016-2022, the charity was able to secure grants initially from City Bridge Trust and latterly from Therium Access to run training and volunteer placement programmes for university students without charging universities or their students. In addition to generating a minimum of 80 student volunteers each year who went on to undertake volunteering placements, build capacity at advice agencies and assist people in need of legal help, these core training programmes enabled the charity to gain sufficient confidence from universities in these schemes for them to consider commissioning them independently. Whilst we were unable to secure a similar grant for 2022-23 we did manage to gain a new five-year grant for this purpose from City Bridge Trust which commenced in June 2023 and thus its impact falls outside the remit of this report.

#### **Accredited and Extra-Curricular Volunteer Training and Placement Programmes**

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 have been re-commissioned every year since. PBC was also commissioned to deliver extra-curricular training and placement programmes in 2022-23 for LSE, UCL, SOAS, Goldsmiths and law firm Freshfields. Separately, advice agency Community Links commissioned from PBC a housing law training programme for City lawyers which was funded by law firm Clifford Chance.

#### **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 has generated relationships with numerous advice agencies in towns and regions ranging from Greater Manchester and Doncaster to Peterborough, Wiltshire and West Sussex. As a result, at least 11% of clients receiving assistance from PBC volunteers lived outside London.

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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, we have 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 both the pandemic and the subsequent cost-of-living crisis. Following some early setbacks, mainly relating to staff turnover at Citizens Advice Haringey, the project was extended by three months to end in December 2023. By October 2023, Advice Connect had exceeded its output targets by delivering advice to 1008 people with 1934 separate issues, the majority of which were related to housing matters and associated problems particularly rent and eviction. The advice was delivered entirely remotely and digitally. 70% of Advice Connect's clients were aged under 40, 51% were from a non-white background, 60% of clients were female and 55% identified themselves as disabled or having a long-term physical or mental health condition. The impact of advice can take time to filter through the system so financial outcomes are ongoing but, at the time of writing, the project had recorded outcomes for clients in terms of income gains, reimbursements and loans amounting to more than £835,000. We expect these figures to increase further over the coming months as landlords and public authorities respond to the clients who were assisted through Advice Connect.

The Trust for London grant provided some funding towards a digital advice clinic run by Pro Bono Community itself which specialised in welfare benefits appeals and commenced in September 2022. The project underwent early challenges as a result of key staff leaving prematurely and the clinic did not begin operating on a stable basis until spring 2023 when two new supervisors were recruited. Despite these setbacks, the clinic had resolved 33 cases by the end of August 2023 with financial gains to clients of £156,000 as a result of the clinic supporting them through successful welfare benefits appeals. It has only been able to recruit part-time supervisors with the available funding and the trustees of Pro Bono Community decided to pause the clinic at the end of August 2023 and only support existing clients whilst the charity sought the additional funding required to supplement the existing grant and make the clinic sustainable.

#### 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 2022 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 PBC's activities.

#### Financial review

The financial results for the year are set out in the Statements of Financial Activities on page 11. The charity recorded an overall surplus of £16,211 (2022 – net deficit of £2,461). The financial position at the year revealed by the Balance Sheet on page 12 shows net current assets or working capital of £78,815 (2022 – £62,604).



# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Principal funding sources

PBC aims to develop a diverse funding base for its activities. PBC continues to attract funding for its various projects from a wide range of other sources – other charities, private companies (such as law firms) 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 2023 accounts showed reserves of £78,815 (2022 - £62,604), of which £30,233 (2022 - £12,595) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £48,582 (2022 - £50,009).

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 and the cost-of-living crisis, 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 in an orderly manner, 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 2022-23 to monitor the ongoing impact of the pandemic and cost-of-living crises 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.

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".

#### Plans for future periods

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 presented by the pandemic and cost-of-living crisis. 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.

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Additionally, the range of objectives during 2023-24 and beyond include, but are not limited to, the following:

- Build on the success of the previous five-year student volunteer training and placement project funded by City Bridge Trust and deliver the target outputs over the first year of a new five-year programme funded by the Trust;
- Consolidate the relationships with universities such as City University, LSE and SOAS and encourage others, particularly from outside London, 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 in poverty or need;
- 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 have an induction conversation with the Chair. PBC reviews information provided to new trustees to ensure that they have a good understanding of the organisation. PBC also gives new trustees access to a shared drive including operational information relevant to the organisation (e.g., policies and procedures).

# PRO BONO COMMUNITY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 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 training and volunteer coordinator as well as any external suppliers and freelance assistance such as trainers and consultants. In May 2022, PBC had appointed a full-time operations manager with responsibility for the operational activities of the charity. This employee left the charity in March 2023 and a decision was taken to leave this role unfilled for the time being but recruit a full-time training & volunteer coordinator instead. 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 Chair, Vice-Chair, Treasurer, Executive Director and other trustees as may be approved by the board from time to time 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 (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

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##### Statement of Trustees' responsibilities

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

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 of the charity for that year.


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 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 trust deed. 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.

The Trustees' report was approved by the Board of Trustees and signed on its behalf:

DocuSigned by:  
  
D0FBC6E43C29459...

**Livia Velicu**

**(Chair - appointed in April 2023)**

25 June 2024

# PRO BONO COMMUNITY

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PRO BONO COMMUNITY

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I report to the trustees on my examination of the financial statements of Pro Bono Community (the charity) for the year ended 31 August 2023.

### **Responsibilities and basis of report**

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. 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**


Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do 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 financial statements to be reached.

DocuSigned by:  
  
BFA6442682BF4CE...  
**David Terry FCA**

**Ramon Lee Ltd**  
**Chartered Accountants**  
**93 Tabernacle Street**  
**London**  
**EC2A 4BA**

**Dated: 25 June 2024**

# PRO BONO COMMUNITY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b><u>Income from:</u></b>					
Charitable activities	3	57,250	118,007	175,257	152,153
Investments	4	399	-	399	30
<b>Total income</b>		57,649	118,007	175,656	152,183
<b><u>Expenditure on:</u></b>					
Raising funds	5	16,405	-	16,405	23,082
Charitable activities	6	45,595	97,445	143,040	131,562
<b>Total expenditure</b>		62,000	97,445	159,445	154,644
<b>Net (outgoing)/incoming resources before transfers</b>		(4,351)	20,562	16,211	(2,461)
Gross transfers between funds		2,924	(2,924)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(1,427)	17,638	16,211	(2,461)
Fund balances at 1 September 2022		50,009	12,595	62,604	65,065
<b>Fund balances at 31 August 2023</b>		48,582	30,233	78,815	62,604

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 13 to 21 form part of these financial statements.

# PRO BONO COMMUNITY


## BALANCE SHEET

**AS AT 31 AUGUST 2023**

	Notes	2023 £	£	2022 £	£
<b>Current assets</b>					
Debtors	11	1,749		1,578	
Cash at bank and in hand		85,990		73,026	
		<u>87,739</u>		<u>74,604</u>	
<b>Creditors: amounts falling due within one year</b>	12	(8,924)		(12,000)	
Net current assets			78,815		62,604
<b>Income funds</b>					
Restricted funds	13		30,233		12,595
Unrestricted funds			48,582		50,009
			<u>78,815</u>		<u>62,604</u>

The financial statements were approved by the Trustees on 25 June 2024 and were signed behalf by:

DocuSigned by:  
  
 D0FBC6E43C29459...  
**Livia Velicu**  
 (Chair - appointed in April 2023)

DocuSigned by:  
  
 B80D51807A75421...  
**Omar Qadir**  
 Treasurer

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The Charity's Accounts shows Net surplus of £16,211 (2022 – Net deficit £2,461) for the year and free reserves of £48,582 (2022 - £50,009). 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.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 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 FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 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.

### 1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 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.

### 1.6 Cash and cash equivalents

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

### 1.7 Financial instruments

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

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

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

### 1.8 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.

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.9 Creditors and Provisions

Creditors and Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

#### 1.10 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.

#### 1.11 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.

#### 1.12 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.

#### 1.13 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.

#### 1.14 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.

### 2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an 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.

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 3 Charitable activities

	Legal advice training £	Total 2023 £	Total 2022 £
National Lottery Community Fund	63,985	63,985	63,985
Therium Access Limited	-	-	36,418
Fees for Volunteer Training & Programmes	57,250	57,250	51,750
City Bridge Trust	9,022	9,022	-
Trust for London Grant	45,000	45,000	-
	<u>175,257</u>	<u>175,257</u>	<u>152,153</u>
Analysis by fund			
Unrestricted funds	57,250	57,250	51,750
Restricted funds	118,007	118,007	100,403
	<u>175,257</u>	<u>175,257</u>	<u>152,153</u>
<b>For the year ended 31 August 2022</b>			
Unrestricted funds	51,750		51,750
Restricted funds	100,403		100,403
	<u>152,153</u>		<u>152,153</u>

### 4 Investments

	Unrestricted funds £	Total 2023 £	Total 2022 £
Interest Income	399	399	30
	<u>399</u>	<u>399</u>	<u>30</u>
<b>For the year ended 31 August 2022</b>	<u>30</u>		<u>30</u>

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Raising funds

	Unrestricted funds £	Total 2023 £	Total 2022 £
Staff costs	9,995	9,995	17,085
Share of Support costs (See note 9)	5,236	5,236	4,683
Share of Governance costs (See note 9)	1,174	1,174	1,314
	<u>16,405</u>	<u>16,405</u>	<u>23,082</u>
<b>For the year ended 31 August 2022</b>			
Fundraising and publicity	23,082		23,082
	<u>23,082</u>		<u>23,082</u>

### 6 Charitable activities

	Legal advice training £	Total 2023 £	Total 2022 £
Staff costs	50,337	50,337	42,501
Other direct costs	48,538	48,538	35,734
	<u>98,875</u>	<u>98,875</u>	<u>78,235</u>
Grant to Institution (see note 7)	32,770	32,770	30,541
Share of support costs (see note 8)	9,308	9,308	17,793
Share of governance costs (see note 8)	2,087	2,087	4,993
	<u>143,040</u>	<u>143,040</u>	<u>131,562</u>
<b>Analysis by fund</b>			
Unrestricted funds	45,595	45,595	43,754
Restricted funds	97,445	97,445	87,808
	<u>143,040</u>	<u>143,040</u>	<u>131,562</u>
<b>For the year ended 31 August 2022</b>			
Unrestricted funds	43,754		43,754
Restricted funds	87,808		87,808
	<u>131,562</u>		<u>131,562</u>

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 7 Grants to Institution

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Citizens Advice Haringey	32,770	30,541
	<u>32,770</u>	<u>30,541</u>

### 8 Support 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>Total 2023 £</b>	<b>Total 2022 £</b>
Staff costs	9,995	-	9,995	17,085
Communication and IT costs	2,354	-	2,354	2,909
Insurance	886	-	886	715
Staff recruitment expense	499	-	499	1,404
Miscellaneous expenses	810	-	810	363
Legal and professional fees	-	1,031	1,031	4,543
Independent examination fees	-	2,230	2,230	1,764
	<u>14,544</u>	<u>3,261</u>	<u>17,805</u>	<u>28,783</u>
Analysed between				
Fundraising	5,236	1,174	6,410	5,997
Charitable activities	9,308	2,087	11,395	22,786
	<u>14,544</u>	<u>3,261</u>	<u>17,805</u>	<u>28,783</u>

### 9 Net movement in funds

	<b>2023 £</b>	<b>2022 £</b>
Independent Examination Fees	2,230	1,764
	<u>2,230</u>	<u>1,764</u>

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Direct charitable work	1.00	1.00
Raising funds	0.25	0.25
Office and administration	0.25	0.25
Total	1.50	1.50

### Employment costs

	2023 £	2022 £
Wages and salaries	62,457	70,710
Social security costs	5,083	2,585
Pension costs	2,788	3,376
	70,327	76,671

There were no employees whose annual remuneration was more than £60,000.

### 11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	596	596
Prepayments	1,153	982
	1,749	1,578

### 12 Creditors: amounts falling due within one year

	2023 £	2022 £
Taxation and social security	869	1,536
Pension	189	483
Accruals	7,866	9,981
	8,924	12,000

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Incoming resources	Resources expended	Balance at 1 September 2022	Incoming resources	Resources expended	Transfers	Balance at 31 August 2023
	£	£	£	£	£	£	£
National Lottery Community Fund	63,985	(54,314)	9,671	63,985	(56,412)	-	17,244
Therium Access Limited	36,418	(33,494)	2,924	-	-	(2,924)	-
City Bridge Trust	-	-	-	9,022	(8,746)	-	276
TFL Grant	-	-	-	45,000	(32,287)	-	12,713
	<u>100,403</u>	<u>(87,808)</u>	<u>12,595</u>	<u>118,007</u>	<u>(97,445)</u>	<u>(2,924)</u>	<u>30,233</u>

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

**National Lottery Community Fund:** Grant for funding a project run in collaboration with Citizens Advice Haringey delivering housing law and other advice to people in Haringey

**Trust for London Grant** - towards the cost of developing and running a remote clinic providing free specialist social security legal advice to clients requiring casework and representation for appeals to the First Tier and Upper Tribunal.

# PRO BONO COMMUNITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Fund balances at 31 August 2023 are represented by:						
Current assets/(liabilities)	48,582	30,233	78,815	50,009	12,595	62,604
	<u>48,582</u>	<u>30,233</u>	<u>78,815</u>	<u>50,009</u>	<u>12,595</u>	<u>62,604</u>

### 15 Pension Costs

The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,788 (2022 - £3,376). Contributions totaling £189 at the year end and are included in creditors.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).