

Charity Registration No. 1175305

Company Registration No. 10821224 (England and Wales)

EDWARD CONNOR SOLICITORS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2021

EDWARD CONNOR SOLICITORS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G L Adam	
	J C H Anelay	
	J L Cooke	
	D M Cornish	
	C R Eade	(Appointed 22 May 2020)
	M A Lawrence	
	A W J Stevens	
	R West	(Appointed 27 April 2020)
	K Appleton	(Appointed 27 April 2020)
Charity number	1175305	
Company number	10821224	
Principal address	10 The Point Market Harborough Leicestershire LE16 7QU	
Registered office	41 The Point Market Harborough Leicestershire LE16 7QU	
Independent examiner	Philip John Dymond FCCA Cheyettes Ltd 167 London Road Leicester LE2 1EG	
Bankers	Barclays Bank plc Leicester LE87 2BB	

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EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

The trustees present their report and financial statements for the year ended 28 February 2021.

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 charitable company's Articles of Association, the Companies Act 2006 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)" (published in October 2019).

Objectives and activities

The objects of the charitable company as stated in the Articles of Association are to advance the Evangelical Christian Faith and to promote the effective use of charitable resources by the provision of services to organisations involved in advancing the Evangelical Christian Faith. The subsidiary objects, by which the charitable company advances the Evangelical Christian Faith, are twofold. Firstly, by providing advice, assistance and support to churches and other Christian charities and groups who are in agreement with the Statement of Faith and conduct their affairs consistently with it. Secondly, by promoting, aiding and furthering the objects and work of the FIEC, subject to the FIEC having aims and objects consistent with the Statement of Faith of the charitable company.

The charitable company seeks to achieve these objects by providing legal advice and services to churches and charities and organisations who are in agreement with, and conduct their affairs consistently with, the Statement of Faith. This advice combines both legal expertise and theological insight so that our clients are not only legally compliant but able to operate in accordance with their evangelical convictions. This enables them to realise their purposes more effectively and in turn, advance the Evangelical Christian faith.

We also offer model documents for sale which is a cost effective way for Christian organisations to obtain good quality legal documentation to aid their work. We seek to share our expertise by regularly producing advice articles and guidance notes for our website and e-newsletter which highlights key legal and regulatory issues for the charitable sector we serve and indicates how Christian organisations can respond to these issues.

Further, an advice line is provided to all FIEC churches, providing 30 minutes of free advice on any matter, furthering the work of the FIEC and its affiliated churches.

The trustees have considered the general guidance issued by the Charity Commission on public benefit. The charitable company benefits the public by helping a significant number of charities to comply with their legal and regulatory obligations and thereby in turn achieve their purposes and public benefit.

Achievements and performance

This year has been the first year in our 3-year strategic plan for sustainable growth. This strategic plan forms part of our overall vision for the next 10 years that by 2030 Edward Connor Solicitors would be the first port of call for all evangelical churches and Christian organisations facing a legal issue. Our plan for sustainable growth is formed of 3 focus areas – recruiting and retaining qualified, godly staff; growing our services; and ensuring sustainability – and we will look at each of these focus areas in turn.

Recruiting and retaining qualified Godly staff

We wanted to expand our capacity for client work by recruiting an additional property lawyer and a senior charity lawyer. Since March 2020, we are delighted to have welcomed onto our team a property lawyer (growing our property team to 3 in total) and two further charity lawyers. The Charities and Property teams have seen our heaviest workload over the last year, and the impact of our successful recruitment into those teams has been felt immediately by spreading workloads to a more manageable degree across teams, and by increasing our capacity to support more client matters.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

As we grow our staff team, it becomes increasingly important for the wellbeing of our workforce and health of the firm to ensure all our staff policies and processes are robust and fit for purpose. Over the last year, we have undertaken a comprehensive review of such policies and processes, and in particular are pleased to have produced a clear supervision policy and new fee earner structure. These documents demonstrate our intent to invest in our staff, encouraging them to grow and develop, which in turn increases the quality and the value of the service we provide as a firm.

Our investment in the development of our staff is part of a wider and deeper aim of caring for all our employees with Christlike care. Fostering togetherness has been a key part of this first year of the 3-year strategic plan, and we have been so encouraged by the fellowship arising from our weekly prayer meetings set up at the start of the financial year. These gatherings – which we have continued virtually during the pandemic – are a fantastic way of sharing with and supporting one another, as well as praying for our clients. Our monthly staff meetings (again, virtual during the pandemic) have also been a great way of fostering that sense of being a team and working together towards the same aim. Within these meetings, we have been blessed with both internal and external speakers providing training on a wealth of topics, from our own policies, to theology, to the different governance structures of churches (one of our main client groups).

Moreover, communication had been highlighted as a key means by which we could achieve a greater sense of togetherness and staff morale. The appointment of a full-time Communications Officer just prior to this financial year has seen a great improvement in our internal communication, for example in the production of a fortnightly internal newsletter that contains the important information for those weeks, updates on work we are doing, and further useful resources on areas such as cybersecurity, mental wellbeing, and physical health.

Internal communication has been key in our staff having an excellent understanding of our core values, strategic aims, and our vision for the next few years. This is one of many encouragements that emerged from the Employee Opinion Survey we ran this year. We are thankful to God that over 90% of employees said they were proud to work at ECS, and all employees would recommend us as a great place to work! As well as a source of many encouragements of how we are caring for our staff, the survey was also a great source of ideas and suggestions for how to continue improving our staff care. Where issues were raised regarding areas such as process inefficiencies and too much work, we have used such information within trustee and management discussions to improve our care further. Many of these areas also fall within our strategic programs already, such as recruiting to ease workload, and investing in IT to improve process efficiency.

Growing our services

As the seriousness of the Coronavirus pandemic grew and we and our clients went into lockdown, we made plans and provisions for what we expected to be a significant downturn in incoming work. However, we have not only retained our stable position from pre-pandemic times, but our incoming work has actually increased this year. Considering the circumstances, this is nothing short of a small miracle, and we praise God for His amazing faithfulness and provision – both to us, and to our clients - throughout this challenging period.

This year we have served over 550 clients on over 700 matters, representing increases of around 40% in our reach (i.e. new clients), and 25% in the service provided (i.e. number of matters). These figures show in numbers what we have described above – the amazing provision that we have experienced this year, that has seen our service grow. Our aim, though, was not simply to increase the number of clients we serve but also to increase the diversity of the client base. Last year we reported that our work was proportionally around 75% churches and 25% Christian organisations, and of those who were churches around two thirds belonged to FIEC. This past year, the proportion of our work has been 80% churches and 20% Christian organisations, with around 70% of churches being FIEC churches. Our work for churches then has increased relative to our work for Christian charities (probably due to the high volume of CIO work for churches we have conducted over the past year), yet it is encouraging to see the continued diversity of churches we are serving. Within our church client base for example, we are pleased to have clients from within the Baptist, Anglican, Presbyterian, Congregationalist, Methodist, United Reformed Church and Pentecostal denominations, as well as many non-denominational churches, showcasing the variety of clients we work with. Our training on the different types of church governance is helping us both to understand clients from diverse backgrounds better and reach out into new groups of clients not previously supported by us.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

Being a not-for-profit organisation, seeking to love our clients, we are pleased to have provided over nearly 6,000 hours of discounted advice this year; and furthering the work of the FIEC in accordance with our charitable objectives, we are pleased to have provided over 2,500 hours of discounted advice to FIEC churches from lawyers, and over 100 hours of free advice through our Advice Line service for FIEC churches.

We want to continue diversifying our client base and reaching more clients in each group. Our recruitment has already aided this and will continue to as we look to further strengthen our staff teams. Further, we have this year developed a communications strategy and set up a Marketing Team to help us reach these new groups, and strengthen relationships with key new clients – particularly within the field of employment – that will aid our aim of sustainable growth. Through these developments, we have already this year seen our employment solicitors provide expert advice in webinars hosted by Stewardship. We have also seen an improved presence on social media, where our Twitter and LinkedIn pages have each seen greater activity and increase in followers, as well as our monthly client newsletter growing in subscribers. Our website too has been growing, both in number of users, its content, and its functionality.

Finally, we have continued to produce both free and purchasable resources to guide and support those seeking Christ-centred legal expertise. A unique year called for unique resources, and we were pleased to provide clients with guidance to help them through the legal challenges brought by the Coronavirus pandemic. This included guidance on holding members meetings and AGMs, requesting filing extensions for submitting annual accounts, and ongoing support throughout the various stages of the Coronavirus Job Retention ("furlough") Scheme. Overall, this year we have produced 19 articles, 2 client stories 3 advice notes, and new resources covering furlough, redundancy, TUPE, and Workers. We also ensured our clients are provided with the most accurate and up-to-date information by updating our Employment Pack to reflect the implementation of the Good Work Plan, and our GDPR Pack to reflect changes due to the exit of the UK from the EU.

Ensuring sustainability

When we set our strategic plan, we recognised that growth without a firm foundation, or capacity to manage such growth, is unwise and not sustainable. That is why we set our third strategic objective – that of ensuring sustainability.

This year we have taken important steps towards ensuring sustainability, such as implementing a new pricing structure. While generally remaining considerably lower than market prices for law firms, our fee rates now better reflect the quality of the service we provide – a fact that has been seen in the generally successful reception of the new prices by our clients. Clearly, our service is seen to be of very high value, as well as high quality, a core value of ours that we wish to ensure continues.

We have also worked hard this year to improve many of our internal processes and systems. We have for instance improved our billing process, reducing the time between charging clients and being remunerated, ensuring we receive charity funds in a timely manner. In another financial move, having considered our working patterns and use of our resources, we took the decision that at this time, our needs are not best met by having a London office, and that the resources consumed by it could be better used elsewhere. Therefore, the Board approved the closure of our London office. Our improvements to processes and systems are moreover giving our work greater clarity and efficiency, both for our own staff and our clients. We have, for example, completed a review of our CIO process and pricing, producing clear processes as well as precedents and advice notes. This year we also began our review of and planning for improved IT systems that will help further our drive towards sustainable growth.

We cannot ignore the fact that this has been an unusual year. The impact of the coronavirus pandemic has been felt globally, and Edward Connor Solicitors has not escaped that. As mentioned already, we have amazingly seen growth this year despite the circumstances, for which we are incredibly thankful. Yet, largely due to the added pressure caused by the pandemic, we have made less progress in the area of sustainability than we would have liked this year. Much of the time and resources which we would have hoped to go towards reviewing and implementing new processes and systems has been required in simply 'keeping us going' throughout the pandemic. As with many organisations, almost our entire operations had to move online, and our processes and practices had to change accordingly. With levels of client work at the highest we have seen in our 3-year history, we recognise the unsustainability of such conditions as we look ahead into the next financial year, the second in our 3-year plan.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

Financial review

We are immensely thankful to God that, despite the real challenges brought from the coronavirus pandemic, our financial performance has once again been encouraging.

As part of an ongoing strategy of investment for growth, we had planned for a small deficit before grants received. However, in God's goodness, a surplus was realised of approximately £48k before grants received, equating to just over £68k after grants received, providing much needed funds for on-going investment in growth.

Total funds at the end of the year increased to £395k (from £324k in the previous period). With a greater emphasis on lock-up reduction, a somewhat higher proportion of these were in cash form, which combined with a bounce-back loan, has increased liquidity for growth in the 2021 – 22 financial year.

Income increased over the year to £750k (of which £721k was from legal advice provided, being the primary charitable activities undertaken). This represents a 27% increase over the previous year, and more than a 29% increase in income from direct charitable activities.

A grant of £20k was received from the FIEC. This is the final of the FIEC grants which were agreed to be provided for the initial three years of Edward Connor Solicitors.

Total expenditure for the year was £682k, representing an increase of around 30% from the previous year. Around 79% of this was staffing cost, with the expertise of legally qualified staff being the primary means through which the charitable work is delivered.

With the coronavirus pandemic, the charity was able to use a variety of government schemes to reduce financial impact upon the charity. The government's furlough scheme was used where government restrictions, such as school and nursery closures, prevented staff from working all or some of their hours. The VAT deferral option, and subsequent VAT deferral new payment scheme, were used to improve liquidity through the pandemic. The trustees also, as noted in last year's report, took out a £50k government-backed "bounce-back" loan in August 2020, to ensure liquidity through the uncertainty of the pandemic, and to ensure that the charity could continue its strategy of sustainable growth over subsequent period.

Reserves policy

Our reserves policy is to hold current net assets of value greater than six month's expenditure and £350k. The former figure provides for a period through which adjustments can be made in the firm, and through which unbilled earned income can be billed and realised as cash. The latter figure (of £350k) is an estimation of costs for an unplanned closure. Reserves provide a buffer in case of sudden, unexpected cash-flow shortage, and allow for an orderly wind-down in the face of unexpected closure.

The Trustees review the reserves regularly, at least annually, and whenever material contract is entered into, and was reviewed during the year.

At the end of the year, reserves were marginally above this policy, with £395k, representing a little over 6 months' expenditure, which met the expectation from the prior report that the reserves level would be realised.

The trustees are satisfied that the reserves held are appropriate for the risks and planned growth for the firm, in line with the purposes for which the reserves are held.

The charity does not hold any restricted funds.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2021

Risk management

The trustees maintain a register of risks which is reviewed regularly as part of the Board's cycle of business, with mitigations to address both the likelihood and potential impact of major risks. Regulatory guidance is fed into this, and in particular, the trustees consider the annual SRA Risk Outlook publication to ensure that risks of concern to the regulator are properly addressed and managed. This is further monitored and reviewed regularly by the management staff. A business continuity plan has also been produced to ensure that operational risks have been considered and proper systems and procedures in place to mitigate against them.

Policies are also in place and regularly reviewed for dealing with conflicts of interest, compliance oversight, client care, complaints, data protection, anti-money laundering and counter-terrorist financing, financial management, equalities legislation and cybersecurity to reduce risk exposure. The staff are given regular training on these policies and they are included in the induction process for new staff.

Of particular note during the period was the risk caused by the Covid-19 pandemic. The charity was able to continue to operate effectively remotely and continued to have strong demand from the churches and charities served.

Risks from working at home were assessed with a year of remote working, with particular focus on cybersecurity and health and safety, with both training and steps taken to manage these risks.

The primary risk to the charity has been identified as staff workloads, and investment to new recruitment to address this was started during the period reported, and continued into the subsequent period.

Plans for future periods - *Journey to delivery of consistently sustainable excellent client service*

As we look ahead, we still believe that our strategic objective of sustainable growth is the right one. But we must ensure that as we grow, we continue to consistently provide our clients with excellent service. Having progressed very well with the first two focus areas of our strategic plan for this period (recruiting and retaining staff and growing our services), we will particularly focus over the next period on measures to ensure sustainability as we believe these will most help us on our journey to consistent delivery of sustainable excellent client service. We will look to achieve this through six focus areas:

- **Excellence** – we will ensure we have clearly defined, firm-wide expectations of what excellence looks like in terms of our client service. We will measure ourselves against these standards, seeking high quality excellence while being aware of our limitations, so that we do not compromise the level of service provided. To achieve this we will conduct a full review of the client journey with us, including the processes, systems and policies which underpin our clients' engagement with us. An important aspect of this will be developing a consistent firm 'voice' that reflects our identity of Christ-like legal expertise.
- **Right work levels** - recruiting and retaining godly staff will remain a key focus area as we seek to achieve optimum levels of workload across all our teams, while maintaining consistent and excellent service delivery. To this end we will continue with our plans to recruit senior lawyers into both our Charities and Property Teams, and strengthen our Admin and Finance Teams with additional support staff and the installation of an Office Manager to oversee day-to-day operational matters. Recruitment across these teams will enable us to both better distribute work amongst fee earners and provide our fee earners with efficient and consistently excellent support. We will also continue developing and implementing our IT strategy in order to increase efficiency and effectiveness of our staff.
- **Roles and structures** – in addition to increasing our teams' capacities, we will seek to have a balance of staff across all levels of seniority to ensure all staff are properly supported in their roles, and will continue to recruit into our legal teams to ensure this. Moreover, we want all our staff to be clear in the scope of their roles, as well as properly trained with excellent development opportunities. To this end we will improve our line management and supervision, as well as HR provision and internal training throughout all levels of the firm. At a Board level, we will ensure excellent governance by reviewing the composition of the Board and recruiting trustees to improve the Board's expertise and experience. Lastly, we will establish a strategy for our office, meeting space, and remote working to ensure efficient, effective and consistent delivery of services, as well as Christlike care of our staff.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

- **Investing in future recruitment** – even as we welcome new staff in the next period, we will be seeking to make ourselves and our gospel work increasingly well-known to attract future recruits. To achieve this we will invest in measures to envision such people – for example having a presence at relevant events, communicating stories of our gospel impact, developing more engaging annual reporting – as well as developing our remuneration policy, and laying the foundations for biblically-shaped diversity strategy.
- **Cost management** – We want to see consistent pricing of jobs to give realistic estimates, and transparent, clear communication to clients throughout the work regarding costs, and so will conduct a review to improve the cycle for client matter estimates. We also want to increase our accessibility to clients and so will be conducting market research into wider pricing and job costings. Lastly, we have already been encouraged this year by a reduction in cash lock-up and time written off, and will continue reducing these amounts in the next period, thereby continually improving our financial position to ensure sustainability.
- **Meeting client needs** – we want to ensure we meet our existing clients' needs, insofar as we are able to do so, either in house or through partnerships with others. To achieve this we recognise the need to have a good understanding of existing clients' actual and perceived needs, which we will gather through working with our existing partner organisations, through existing client feedback, and through monitoring of social media. Moreover, we will increase the use of our website and social media, and review our Advice Line service, to continue improving the breadth and quality of resources and support we can provide to clients in a cost effective manner.

Structure, governance and management

Edward Connor Solicitors is incorporated as a company limited by guarantee under company number 10821224, and registered as a charity in England and Wales under registration number 1175305. It is regulated by the Solicitors Regulatory Authority number 640691. The principal office is at 10 The Point, Market Harborough, LE16 7QU and its registered office address is at 41 The Point, Market Harborough, LE16 7QU.

It is governed by its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of approval of this Report were:

G L Adam	
J C H Anelay	
J I Bond	(Resigned 4 November 2020)
J L Cooke	
D M Cornish	
C R Eade	(Appointed 22 May 2020)
M A Lawrence	
A W J Stevens	
R West	(Appointed 27 April 2020)
K Appleton	(Appointed 27 April 2020)

The trustees are appointed by the trustees and members of the charitable company, the members being the trustees of the FIEC (FIEC Trust Board). They ensure that the trustees are Christians with qualifications and experience in several relevant disciplines, with particular experience in law, finance and pastoral ministry. This experience is invaluable to the work of the charitable company.

The trustees have appointed Gemma Adam, David Cornish and Caroline Eade, as paid employees to the board of trustees. The trustees have also appointed Ursula Stevens, a connected person to A W J Stevens, as a paid employee. This is in accordance with the articles of association of the charitable company.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2021

Remuneration of trustees who are also paid employees or connected persons is set by the non-executive directors, who review salary levels in line with external benchmarks and in line with responsibilities held. Conflicts of interest are carefully managed amongst the trustees, recorded at every meeting, and no staff member is ever involved in the setting of their own remuneration, or that of a connected person. The remuneration committee also set clear parameters within which the Managing Director is to set other staff pay.

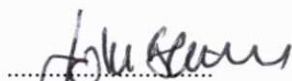
Day to day duties are delegated to the Executive Team, and through them to other staff employed or contracted by the charitable company. The charity currently does not have any unpaid volunteers other than the non-executive trustees.

The trustees review at least annually the composition of the board to ensure that there is a suitable range of expertise and experience amongst the trustees.

New trustees are given the Charity Commission guidance concerning the responsibilities of trustees, given some introductory overview of the organisation and their responsibilities within it. The trustees keep under review the most appropriate means of ensuring regular, ongoing training for the trustees, both through the expertise within the team, and the use of external training.

This Report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.



A W J Stevens

Chair of trustees

Dated: 19/1/2021

EDWARD CONNOR SOLICITORS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF EDWARD CONNOR SOLICITORS

I report to the trustees on my examination of the financial statements of Edward Connor Solicitors (the charitable company) for the year ended 28 February 2021.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (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

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

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 charitable company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



Philip John Dymond FCCA

Cheyettes Ltd
167 London Road
Leicester
LE2 1EG

Dated: 21/10/2021

EDWARD CONNOR SOLICITORS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income and endowments from:</u>			
Donations and legacies	2	21,273	30,000
Charitable activities	3	721,448	558,059
Investments	4	987	1,484
Other income	5	6,707	330
Total income		750,415	589,873
<u>Expenditure on:</u>			
Raising funds	6	371	1,364
Charitable activities	7	681,651	522,867
Total resources expended		682,022	524,231
Net income for the year/ Net movement in funds		68,393	65,642
Fund balances at 29 February 2020		326,857	261,215
Fund balances at 28 February 2021		395,250	326,857

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EDWARD CONNOR SOLICITORS

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		34		2,444
Current assets					
Debtors	11	266,203		246,523	
Cash at bank and in hand		271,450		142,124	
		<u>537,653</u>		<u>388,647</u>	
Creditors: amounts falling due within one year	13	<u>(92,437)</u>		<u>(64,234)</u>	
Net current assets			445,216		324,413
Total assets less current liabilities			<u>445,250</u>		<u>326,857</u>
Creditors: amounts falling due after more than one year	14		(50,000)		-
Net assets			<u>395,250</u>		<u>326,857</u>
Income funds					
Unrestricted funds			395,250		326,857
			<u>395,250</u>		<u>326,857</u>

EDWARD CONNOR SOLICITORS

BALANCE SHEET (CONTINUED)

AS AT 28 FEBRUARY 2021

The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2021. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

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

The financial statements were approved by the Trustees on 19 October 2021



A W J Stevens
Trustee

Company Registration No. 10821224

EDWARD CONNOR SOLICITORS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		78,339		(33,176)
Investing activities					
Purchase of tangible fixed assets		-		(4,561)	
Investment income received		987		1,484	
Net cash generated from/(used in) investing activities			987		(3,077)
Financing activities					
Proceeds of new bank loans		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net increase/(decrease) in cash and cash equivalents			129,326		(36,253)
Cash and cash equivalents at beginning of year			142,124		178,377
Cash and cash equivalents at end of year			271,450		142,124

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

Charity information

Edward Connor Solicitors is a private company limited by guarantee incorporated in England and Wales. The registered office is 41 The Point, Market Harborough, Leicestershire, LE16 7QU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's Articles of Association, the Companies Act 2006 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)" (published in October 2019). The charitable company is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered.

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

Charitable expenditure comprises those costs incurred by the charitable company on the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them based upon either time spent on the actual activity or usage.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	50% per annum on a straight line basis on IT equipment and 25% per annum straight line on others
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 Financial instruments

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

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

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

Basic financial assets

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

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	1,273	-
Grants receivable	20,000	30,000
	<u>21,273</u>	<u>30,000</u>

3 Charitable activities

	2021	2020
	£	£
Charges and model document fees	<u>721,448</u>	<u>558,059</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	987	1,484

5 Other income

	Unrestricted funds	Total
	2021 £	2020 £
Secondment fees and other income	3,981	330
Job Retention Scheme grant income	2,726	-
	6,707	330

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Advertising	371	1,364
	371	1,364

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	499,687	376,115
Depreciation and impairment	2,411	4,257
Training, conferences and other staff costs	6,649	9,096
Meeting expenses	1,266	4,651
Insurance	32,530	18,798
Staff travelling expenses	486	5,322
Professional fees	50,664	22,429
Professional subscriptions	17,987	16,195
Independent examiner's fees	1,850	1,850
Office expenses	25,466	17,710
Sundry expenses	41,648	45,417
Bank charges	919	960
Bad debts	88	67
	<u>681,651</u>	<u>522,867</u>

8 Trustees

Travel and meeting expenses of £269 were reimbursed to 3 trustees during the year (2020 - 4 trustees reimbursed £1,027).

None of the trustees were remunerated for their role as trustees.

In accordance with section 5 of its Memorandum and Articles of Association, three trustees were remunerated in connection with fulfilling their duties under their contracts of employment with the charitable company (2020 - three). During the year, Gemma Adam received gross remuneration of £31,673 (2020 - £29,906) and pension benefits of £2,851 (2020 - £2,692), Caroline Eade received gross remuneration of £43,990 (2020 - £4,279) and pension benefits of £3,959 (2020 - £385) and David Cornish received gross remuneration of £41,120 (2020 - £20,000) and pension benefits of £3,701 (2020 - £1,800).

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2021

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Trustee directors	10	10
Fee earners and support staff	17	16
	<u>27</u>	<u>26</u>

Employment costs

	2021 £	2020 £
Wages and salaries	428,491	325,719
Social security costs	33,869	23,623
Other pension costs	37,327	26,773
	<u>499,687</u>	<u>376,115</u>

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

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 29 February 2020	12,052
At 28 February 2021	<u>12,052</u>
Depreciation and impairment	
At 29 February 2020	9,607
Depreciation charged in the year	2,411
At 28 February 2021	<u>12,018</u>
Carrying amount	
At 28 February 2021	34
At 28 February 2020	<u>2,444</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

11 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	93,037	131,199
Other debtors	3,352	5,193
Prepayments and accrued income	169,814	110,131
	<u>266,203</u>	<u>246,523</u>

12 Loans and overdrafts

	2021	2020
	£	£
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>
Payable after one year	50,000	-
	<u>50,000</u>	<u>-</u>

The above Bounce Back Loan is unsecured and repayable over 5 years at a 2.5% fixed rate of annual interest.

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	79,855	44,914
Other creditors	81	27
Accruals and deferred income	12,501	19,293
	<u>92,437</u>	<u>64,234</u>

14 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	12	50,000	-
		<u>50,000</u>	<u>-</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2021

15 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	17,704	24,668
Between two and five years	6,670	19,693
	<u>24,374</u>	<u>44,361</u>

16 Related party transactions

Mrs U. Stevens, who is the wife of trustee A.W.J. Stevens, was employed by the charity during the year and received gross remuneration of £10,143 (2020 - £7,494) and pension benefits of £913 (2020 - £nil).

17 Cash generated from operations

	2021 £	2020 £
Surplus for the year	68,392	65,642
Adjustments for:		
Investment income recognised in statement of financial activities	(987)	(1,484)
Depreciation and impairment of tangible fixed assets	2,411	4,257
Movements in working capital:		
(Increase) in debtors	(19,680)	(110,506)
Increase in creditors	28,203	8,915
Cash generated from/(absorbed by) operations	<u>78,339</u>	<u>(33,176)</u>

18 Analysis of changes in net funds

	At 29 February 2020 £	Cash flows £	At 28 February 2021 £
Cash at bank and in hand	142,124	129,326	271,450
Loans falling due after more than one year	-	(50,000)	(50,000)
	<u>142,124</u>	<u>79,326</u>	<u>221,450</u>

