

EDWARD CONNOR SOLICITORS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

EDWARD CONNOR SOLICITORS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G L Adam	
	D M Cornish	
	C R Eade	
	M A Lawrence	
	A W J Stevens	
	R West	
	K Appleton	
	P F Pranglely	(Appointed 7 September 2022)
	S J Wright	(Appointed 6 July 2022)
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	

EDWARD CONNOR SOLICITORS

CONTENTS

	Page
Trustees' report	1 - 9
Independent examiner's report	10
Statement of financial activities	11
Balance sheet	12 - 13
Statement of cash flows	14
Notes to the financial statements	15 - 22

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

The trustees present their report and financial statements for the year ended 28 February 2022.

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

The reported year of March 2021 – February 2022 (from now on referred to as 'this year') has been the second in our 3-year strategic plan for sustainable growth, forming 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.

The plan for sustainable growth is formed of 3 focus areas – recruiting and retaining qualified, godly staff; growing our services; and ensuring sustainability. We were pleased that in the first year we made good progress in the first 2 of these strategic areas. The challenges brought on by the coronavirus pandemic, plus continued high demand for our services and a difficult recruitment environment have meant that we have not progressed as far as we would have liked in the third focus area of sustainability. We recognised that such a position puts our aim of providing consistently excellent client service at risk.

So, whilst we maintain that the overall strategic objective for this period should be sustainable growth under all 3 focus areas, the main focus this year has been putting measures in place that will ensure we consistently and sustainably deliver excellent client service. In realising this over the reported year, we devised 6 new focus areas:

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Excellence

Our aim is to have clearly defined, firm-wide expectations of what excellence looks like in terms of our client service, and to 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.

We were pleased to come together as a staff team during one of our in-person staff days to discuss our expectations of excellent client service, and from this, develop our 7 principles for excellence:

- Give advice the client needs (not what they necessarily want to hear), understanding their unique needs and purposes as Christian organisations
- Give advice the client can understand with practical application
- Have a client-focused attitude (i.e. giving clients time, being friendly, praying for the client, tailoring our service to their preferences)
- Be transparent about time and costs
- Be clear about the process and who should do what, when
- Be efficient and accurate, meeting key deadlines and showing a high level of professionalism
- Own mistakes and promptly resolve; being honest

We have begun important work in streamlining our matter processes, i.e. making our client work flow more smoothly, and in particular have made good progress in the area of charity incorporation. Two significant improvements we have made in this area of work are streamlining the work we do for one of our largest clients which often requires preliminary work to be done before the actual matter can be opened, and fostering better collaboration and communication between our Charities and Property teams throughout their respective work during the CIO process.

This year we upgraded our client feedback form into an electronic version, improving the efficiency of the client feedback process. This new form also includes a score for client satisfaction and likelihood to recommend. It has been deeply encouraging to see very high levels of satisfaction expressed through these scores (an average of 4.9 out of 5 for satisfaction and 9.7 out of 10 for likelihood to recommend), and also from the qualitative feedback from our clients. While we know there is more work to do, we are pleased that many of the 7 principles for excellence are already being noticed by clients in their feedback.

As part of our drive for excellence, we have already made good progress on improving both our policies and client communications, making each more user friendly and accessible. In terms of our policies, we have completely overhauled our financial procedures, conflicts of interest policies, and internal staff handbook, improving their usability and bringing them more in line with the present needs of the organisation. We have also begun developing client resources to improve efficiency at the early stages of the matter process, such as an easy-to-use guide for clients submitted ID documents. We are also developing property guidance notes to support prospective clients, but also our Property Team in terms of their capacity, as they make decisions about whether to instruct us or not in their property matter. These free resources will empower clients to work through preliminary questions in their property matter and will be of great value even if they choose not to instruct us. Furthermore, clients' use of the guides will free up precious time for the Property team, increasing their capacity for chargeable client work.

Lastly, we have continued working to standardise and visually improve our client products and resources, keeping them in line with our branding, and ensuring they are embedded in our firm's core values which we finalised in the previous reported year.

Right work levels

Recruiting and retaining godly staff remains a key focus area as we seek to achieve optimum levels of workload across all our teams, while maintaining consistent and excellent service delivery. Another key aspect to this is improving both the efficiency and effectiveness of our IT systems and our internal knowledge management.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Our Charities team continued to experience our greatest workload, and so it has been important to create better workload management in this team in particular. We have achieved this over the past year through the reduction of individual workloads, completing backlogs of client work, and identifying new enquiries that we could not take on in order to continue providing excellent service. We were also pleased to promote our charity advisor Lynn Cadman to Associate level in the Charities Team, and in Jane Whitfield and Liz Bowes-Smith recruiting 2 highly experienced lawyers into senior positions in the team. Each of these appointments enabled greater spreading of work across the team, in particular creating a more manageable workload for the Head of Team.

The recruitment of a full time Office Manager has been a real blessing to the firm, improving and streamlining the overall day-to-day operation of the office, as well as relieving the workload of the Finance & Operations Director by taking on some of his administrative duties, such as becoming the MLRO, as well as practical duties around the office.

Additional recruitment into our support teams has been met with challenges over the year, which has enabled us to learn lessons to take into future recruitment drives. These recent recruitment drives and a continued dependence on God's providence throughout the year mean that at the time of writing we have made successful appointments into several roles beyond what we had expected!

Capacity challenges with the Finance and Admin Teams resulted in us taking the strategic decision to delay our IT project until sufficient resources were in place to progress it. Nevertheless, we laid good groundwork for the project this year, allowing a much more rapid progression of the project in the next period. Good progress has also been made elsewhere, such as with our internal knowledge management, in which we have set up a new platform for storing and easily accessing internal staff news and updates, as well as creating new standard template forms that can be easily and centrally accessed so that all staff are using the same versions of our forms.

Roles and structures

In addition to increasing team capacities, we recognise the need to have a balance of staff across all levels of seniority, and staff who are well-trained, clear in the scope of their roles, and have excellent development opportunities. The same aim applies at Board level where we are seeking to improve the Board's expertise and experience.

We were delighted this year to recruit 2 highly experienced charity lawyers into senior positions into our Charities team, bringing a wealth of expertise and diversifying the team's levels of seniority. In our Property team we were greatly encouraged to welcome 2 new lawyers joining us at Associate level, diversifying that team. We have also had positive discussions with potential recruits for our Employment team.

On our Board of Trustees, we have invested considerable time this year in identifying the needs of the Board in terms of expertise and experience gaps. We have sought to address this partly through regular training sessions at Board level, but ultimately through recruiting new trustees, which we see as key to diversifying our Board. We have been pleased to identify 2 new potential trustees who are in the process of formalising their appointment.

We are pleased to have provided regular training for line managers and produced clear supervision and line management guidelines, providing greater clarity to line managers, supervisors and line reports and supervisees in their respective roles. Our continued work on the staff handbook will further help staff in their roles. We have also made important changes to our delegated authority policy, amending it to provide greater clarity on levels of required authority, allowing for more efficient decision making.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

To provide greater investment in our staff's personal and professional, development, this year saw the appointment of a designated contact for HR matters, providing greater clarity and access for staff as to what issues should be taken where. We have worked hard to provide internal training for staff and have been blessed with speakers – both external and internal – on a wealth of topics, from theology, to communicating with clients well, to internal policies and procedures. The pandemic faced us with the challenge of maintaining staff morale and a collective sense of identity and mission. While meeting face-to-face was impossible, we ensured we held regular, 2-hourly all-staff virtual meetings, but as soon as we were able to, we made provision for in-person staff days again, and have been pleased to hold 3 of these this year. Such meetings have been crucial for protecting and fostering that sense of community again that is so important for our staff to feel.

An ongoing topic of conversation throughout the pandemic has been that of home and office working. To understand our staff's needs and wants we scoped out remote and office working in our latest staff survey, and also used in-person staff days to foster discussion and gather feedback. The feedback has been very useful, and is already shaping our strategy, such as officially making all fee-earning staff 'homeworkers' and seeing the requirement for a new office as a less immediate need.

Investing in future recruitment

We can see the need to continue recruiting to achieve consistently excellent client service, so we are considering ways of making our vision and mission even more well known to enthuse more Christian solicitors.

The Lawyers' Christian Fellowship (LCF) is a key partner for us. We are therefore proud to have become corporate members of the organisation and were delighted to have sponsored their 2021 national conference. We also attended and presented at this year's LCF Careers Fair, understanding the importance of envisioning the next generation of Christian lawyers about the important work of Edward Connor Solicitors.

We are continuing to increase the reach of our recruitment, advertising in new places and devoting a greater budget to the advertising process, including the engagement of specialist recruitment consultants. We are also finding innovative ways of envisioning prospective staff members, such as: creating an engaging 'Annual Review' document to summarise the year's achievements; revamping our job packs to be more visionally appealing and reflective of our vision and core values; and continuing to publish and communicate successful client stories of clients' experiences of working with ECS.

Cost management

We want to see consistent pricing to give realistic estimates, and transparent, clear communication to clients throughout the work regarding costs, as well as increasing our accessibility to clients. We want to continue our work on reducing funds locked up to provide sustainable working cash levels.

This year a key means by which we have worked towards achieving our objectives is by significantly improving our internal Financial reporting at all levels, from Board to Management to Fee Earner. We are also investing in IT and staff to continue improving our ability to report and forecast our financials to ensure efficient and effective use of resources.

As a not-for-profit organisation, our aim is to provide the highest quality service at the most affordable prices for our clients. We therefore do not want to be overcharging or charging high amounts without very good reason. One of the areas in which we have been developing this is within our property work, where we have conducted market research into conveyancing, to better understand our pricing compared to competitors. An outworking of this research is confirmation that we are offering something truly unique and specialist to clients, and costs may therefore be higher than a 'high-street' law firm. We have been working on text and resources to better communicate this value to clients, so that they better see the value of working with us despite potentially higher costs.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Meeting client needs

We recognise the importance of continuing to respond to client needs, either in house or through partnerships with others. Highlighting areas of need and gaps in provision of these needs is a key part of our strategy for becoming the first port of call for legal support for all Christian organisations by 2030.

We continue to provide both free and discounted advice thereby giving quality advice to clients who might not otherwise be able to afford it. Our Advice Line service for FIEC churches continues to be a well-used resource, and a great way of supporting the work of the FIEC (one of our charitable objectives). This year, over 100 FIEC churches received free advice on nearly 150 enquiries, amounting to a total of over 1,700 hours of free, high-quality advice given to FIEC churches. Topics covered a wide range, for example seeking advice on employment contracts, charity registration, and health and safety issues.

But it is not only FIEC churches that benefit from discounted advice – all churches and small charities receive a discount on our fees. This year, we provided nearly 4,000 hours of discounted advice to FIEC churches, nearly 1,000 hours to non-FIEC churches, and nearly 900 hours to smaller charities (charities with incomes below £500k). This amounted to a total of over 5,700 hours of discounted advice given to our clients, supporting them in their ministry with high-quality legal advice that they might not otherwise be able to afford.

In terms of areas of need outside of our current service provision, we have identified safeguarding and investigations as an important issue that our clients need support in, and so are currently exploring whether we offer something further in this area. Where gaps exist in our service provision, we continue to work with and find new partners for referrals. For example, this year we have begun a collaborative project with a Health & Safety consultant in order to provide resources on health and safety topics, and allow churches and other organisations to find trusted, specialist support if required.

We continue to produce new resources for clients, allowing clients to access affordable advice that they are able to tailor to their specific circumstances. Our new Recruitment Pack is a good example of this, providing clients with a step-by-step guide and checklist to the recruitment process. We are also currently working on a set of property guidance notes to provide clients with user friendly answers to some initial questions that often come our way at the start of a matter process.

Financial review

We are once more grateful to God in his providence for blessing us with another strong financial performance this year despite some challenging circumstances.

Income from charitable activities within the year increased to over £940k, an increase from £721k in the previous period, or around a 30% increase, representing a significant growth in the reach of our activities to support our beneficiaries in their charitable activities.

Total expenditure for the year was £835k, representing an increase of around 22% from the previous year. Around 54% of this was the employment of legally qualified staff, whose services represent the primary means through which the charitable work is delivered.

This resulted in a surplus of a little under £110k being generated during the year, which will provide funds to allow for the next stage of growth, including investment into Information Technology and taking on additional new staff.

Total funds at the end of the year increased to £504k (up from £395k in the previous period).

No grants were received in the last financial year, providing an encouraging confirmation that the firm is a sustainable entity in its own right.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Reserves policy

Our reserves policy is to hold current net assets to the greater of 6 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 above this policy, with unrestricted current assets standing at £504k, representing nearly 7 months' expenditure. This is in line with the charity's plan for generating capital for the next stages of growth.

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.

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. Cover of key staff is regularly reviewed, and the trustees consider succession planning for senior staff on an annual basis, or as circumstances arise.

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.

Given the rise in cyber security risk, both given increased working from home, and due to an increase in external threats, training is planned both at a governance and staff level in May 2022.

The primary risks to the charity have been identified as cybersecurity, staff workloads, securing professional indemnity insurance and management capacity. Each of these are priorities which the trustees have been seeking to reduce the risk of during the period reported, and continue to be invested in to address risk in the subsequent period.

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

Plans for future periods

Our overall strategic objective up until 2023 remains that of sustainable growth, and this coming year (March 2022 - February 2023) our focus remains that of journeying to deliver consistently sustainable excellent client service. As such, in what will be the firm's fifth year of operation, we will be building on what we have already achieved in the reported year in each of the 6 focus areas of excellence.

A strong performance in the previous 2 financial years means we are in a good position for investing in measures that will work to ensure the sustainable, excellent client service we are aiming to provide. A significant portion of investment – both financially and in terms of focus – will be spent on our IT project, where we will be working with external partners to improve and streamline our IT, better equipping our staff and enabling us to provide increasingly and consistently excellent client service.

Another significant area for investment will be the continued recruitment of godly staff into our fee earning and support teams, with a particular focus on senior recruitment into all teams. The creation and appointment of a Head of Legal Operations will create capacity at senior management level, enabling us to make quicker and more substantial progress with strategic planning. We are already pursuing positive avenues of recruitment into our Legal Secretary, IT and Employment teams, yet recognise the need to further invest in advertisement and new media – such as videos – for the envisioning for potential new staff. The development of a diversity strategy will help to ensure we are retaining and recruiting a team – both of staff and of board members – who reflect and understand the diverse backgrounds and needs of our client base. We have identified our property work as an area that requires investment in order to ensure it is a financially sustainable part of our operations. As outlined already, our investment into our property work will comprise of recruitment into senior roles, production of resources to streamline work and save time at the initial enquiry stage, and also improvement of client communications, better explaining the value of our property services to clients.

We will continue investing in our current staff, ensuring we retain our qualified, godly team. As such, we will aim to complete our revised staff handbook, continue to provide quality internal training on a variety of topics, and conduct a remuneration review to consider staff salaries. We will also implement procedures for workload monitoring and new instruction taking, thereby safeguarding our team's wellbeing but also ensuring we are not overstretched, and capable of delivering excellent service.

We will continue to improve our client communications throughout the matter process, from guides to field questions at the enquiry stage, to the client care letter, to the provision of updates to the client throughout the period of work. Continuing to develop a consistent firm voice across all communications will be a key component in the delivery of these client communications.

An important part of our client communication centres around fee estimates and updates to initial estimates throughout the matter. We will continue to carry out market research where required to better qualify our costs, and produce communications and resources to explain to our clients the high value of our services relative to the costs. Market research will feed into the development of a new pricing and discount strategy to ensure we are operating sustainably while still offering our clients accessible, cost-effective legal advice. Alongside this we will conduct a full review of our Advice Line service, to ensure that it is a sustainable service for us, but also one of excellence and relevance to its users.

Finally, we will continue to produce and expand the provision of our resources and services as we scope out our clients' (and prospective clients') needs and felt needs. This will look like the continued production of resource packs, guidance notes, articles and perhaps videos or webinars on the most relevant and important topics; communicating those resources through available channels such as social media platforms, our monthly newsletter, and our website; and exploring the further development of new service areas. Where an area of service falls outside of our capability or capacity, we will continue to foster existing, and identify new, partnerships so that we can refer clients to trusted sources of help as and when we are not able to provide that ourselves.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2022

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

(Resigned 31 May 2022)

J L Cooke

(Resigned 7 September 2022)

D M Cornish

C R Eade

M A Lawrence

A W J Stevens

R West

K Appleton

P F Prangley

(Appointed 7 September 2022)

S J Wright

(Appointed 6 July 2022)

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.

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.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 28 FEBRUARY 2022

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:

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 2022.

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:

EDWARD CONNOR SOLICITORS**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT*****FOR THE YEAR ENDED 28 FEBRUARY 2022***

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	2	207	21,273
Charitable activities	3	940,702	721,448
Investments	4	148	987
Other income	5	3,149	6,707
Total income		944,206	750,415
<u>Expenditure on:</u>			
Raising funds	6	870	371
Charitable activities	7	834,272	681,651
Total expenditure		835,142	682,022
Net income for the year/ Net movement in funds		109,064	68,393
Fund balances at 1 March 2021		395,250	326,857
Fund balances at 28 February 2022		504,314	395,250

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 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		-		34
Current assets					
Debtors	11	343,974		266,203	
Cash at bank and in hand		295,923		271,450	
		<u>639,897</u>		<u>537,653</u>	
Creditors: amounts falling due within one year	13	<u>(100,583)</u>		<u>(97,437)</u>	
Net current assets			539,314		440,216
Total assets less current liabilities			539,314		440,250
Creditors: amounts falling due after more than one year	14		(35,000)		(45,000)
Net assets			<u>504,314</u>		<u>395,250</u>
Income funds					
Unrestricted funds			504,314		395,250
			<u>504,314</u>		<u>395,250</u>

EDWARD CONNOR SOLICITORS

BALANCE SHEET (CONTINUED)

AS AT 28 FEBRUARY 2022

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 2022. 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

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A W J Stevens

Trustee

Company registration number 10821224

EDWARD CONNOR SOLICITORS**STATEMENT OF CASH FLOWS*****FOR THE YEAR ENDED 28 FEBRUARY 2022***

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	17		29,325		78,339
Investing activities					
Investment income received		148		987	
		<hr/>		<hr/>	
Net cash generated from investing activities			148		987
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(5,000)		-	
		<hr/>		<hr/>	
Net cash (used in)/generated from financing activities			(5,000)		50,000
			<hr/>		<hr/>
Net increase in cash and cash equivalents			24,473		129,326
Cash and cash equivalents at beginning of year			271,450		142,124
			<hr/>		<hr/>
Cash and cash equivalents at end of year			295,923		271,450
			<hr/> <hr/>		<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2022

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 the statement of financial activities.

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 2022**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
	2022	2021
	£	£
Donations and gifts	207	1,273
Grants receivable	-	20,000
	<u>207</u>	<u>21,273</u>

3 Charitable activities

	2022	2021
	£	£
Charges and model document fees	<u>940,702</u>	<u>721,448</u>

EDWARD CONNOR SOLICITORS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 28 FEBRUARY 2022**4 Investments**

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	148	987
	<u> </u>	<u> </u>

5 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Secondment fees and other income	1,041	3,981
Job Retention Scheme grant income	2,108	2,726
	<u> </u>	<u> </u>
	3,149	6,707
	<u> </u>	<u> </u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	870	371
	<u> </u>	<u> </u>
	870	371
	<u> </u>	<u> </u>

EDWARD CONNOR SOLICITORS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 28 FEBRUARY 2022**7 Charitable activities**

	2022 £	2021 £
Staff costs	644,811	499,687
Depreciation and impairment	34	2,411
Training, conferences and other staff costs	16,954	6,649
Meeting expenses	1,893	1,266
Insurance	39,892	32,530
Staff travelling expenses	1,175	486
Professional fees	54,820	50,664
Professional subscriptions	18,956	17,987
Independent examiner's fees	1,850	1,850
Office expenses	26,182	25,466
Sundry expenses	26,115	41,648
Bank charges	1,459	919
Bad debts	131	88
	<u>834,272</u>	<u>681,651</u>

8 Trustees

Travel and meeting expenses of £1,726 were reimbursed to 3 trustees during the year (2021 - 3 trustees reimbursed £269).

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 (2021 - three). During the year, Gemma Adam received gross remuneration of £32,037 (2021 - £31,673) and pension benefits of £2,883 (2021 - £2,851), Caroline Eade received gross remuneration of £53,503 (2021 - £43,990) and pension benefits of £4,815 (2021 - £3,959) and David Cornish received gross remuneration of £41,546 (2021 - £41,120) and pension benefits of £3,739 (2021 - £3,701).

EDWARD CONNOR SOLICITORS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 28 FEBRUARY 2022**9 Employees****Number of employees**

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Trustee directors	9	10
Fee earners and support staff	18	14
	<u>27</u>	<u>24</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	550,324	428,491
Social security costs	46,055	33,869
Other pension costs	48,432	37,327
	<u>644,811</u>	<u>499,687</u>

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

10 Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 March 2021	12,052
At 28 February 2022	<u>12,052</u>
Depreciation and impairment	
At 1 March 2021	12,018
Depreciation charged in the year	34
At 28 February 2022	<u>12,052</u>
Carrying amount	
At 28 February 2022	-
At 28 February 2021	<u>34</u>

EDWARD CONNOR SOLICITORS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 28 FEBRUARY 2022**11 Debtors**

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	185,764	93,037
Other debtors	-	3,352
Prepayments and accrued income	158,210	169,814
	<u>343,974</u>	<u>266,203</u>

12 Loans and overdrafts

	2022	2021
	£	£
Bank loans	<u>45,000</u>	<u>50,000</u>
Payable within one year	10,000	5,000
Payable after one year	<u>35,000</u>	<u>45,000</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

	Notes	2022	2021
		£	£
Bank loans	12	10,000	5,000
Other taxation and social security		75,902	79,855
Trade creditors		3,351	-
Other creditors		674	81
Accruals and deferred income		10,656	12,501
		<u>100,583</u>	<u>97,437</u>

14 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	12	<u>35,000</u>	<u>45,000</u>

15 Operating lease commitments

EDWARD CONNOR SOLICITORS**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 28 FEBRUARY 2022**15 Operating lease commitments****(Continued)**

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:

	2022	2021
	£	£
Within one year	18,388	21,355
Between two and five years	8,833	11,447
	<u>27,221</u>	<u>32,802</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 £12,172 (2021 - £10,143) and pension benefits of £913 (2021 - £1,096).

17 Cash generated from operations

	2022	2021
	£	£
Surplus for the year	109,064	68,392
Adjustments for:		
Investment income recognised in statement of financial activities	(148)	(987)
Depreciation and impairment of tangible fixed assets	34	2,411
Movements in working capital:		
(Increase) in debtors	(77,771)	(19,680)
(Decrease)/increase in creditors	(1,854)	28,203
Cash generated from operations	<u>29,325</u>	<u>78,339</u>

18 Analysis of changes in net funds

	At 1 March 2021	Cash flows	At 28 February 2022
	£	£	£
Cash at bank and in hand	271,450	24,474	295,924
Loans falling due within one year	(5,000)	(5,000)	(10,000)
Loans falling due after more than one year	(45,000)	10,000	(35,000)
	<u>221,450</u>	<u>29,474</u>	<u>250,924</u>