

Charity registration number 1175305

Company registration number 10821224 (England and Wales)

EDWARD CONNOR SOLICITORS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

EDWARD CONNOR SOLICITORS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	G L Adam	
	D M Cornish	
	C R Eade	
	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	
Auditor	The Rowleys Partnership Ltd Charnwood House Harcourt Way Meridian Business Park Leicester LE19 1WP	

EDWARD CONNOR SOLICITORS

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 21

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

The trustees present their report and financial statements for the year ended 28 February 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 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 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 2022 – February 2023 (from now on referred to as 'this year') has been the third in our 3-year strategic plan for sustainable growth. Our underlying focus therefore remained that of putting in place measures to ensure future growth would be sustainable. At the same time, we were pleased to see continued growth as a firm, and the maintenance of a high standard of service provision throughout this year.

Setting up for future growth

Our strategic plan emphasises the need to have the right systems, processes and resources in place in order to achieve sustainable growth: a growth that enables us to go on providing the high quality, best value service we seek to provide.

One of the most significant ways we have worked towards sustainable growth this year is through our IT project: that of updating of our Practice Management System. Working with external consultants, a working group of staff reviewed and shortlisted a number of products, before agreeing upon one that we feel will most successfully meet our needs, and provide exciting scope for expansion and development as we grow as a firm.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

A healthy financial position has meant that we were thankfully able to progress with our IT project this year. Yet the pressures of the current economic environment have meant that – after maintaining our prices since March 2020 – we agreed this year upon the need to increase our prices. Through a comprehensive pricing and discount strategy, we agreed upon price and discount changes (for the proceeding financial year) that we trusted would enable us to continue to operate sustainably, while still making accessible legal advice for the client base we love to serve. Recognising the particular financial challenges facing many of our clients at this moment, we worked hard to communicate relevant information to clients in a timely manner, as well as seeking to communicate the value of our service, and the assurance that service provision would be maintained and even improved through these price changes. We also recognised the importance of our staff being fully informed and resourced to speak with and support our clients regarding the price changes, and so provided training and resources to support them in this.

A constant challenge to sustainable growth has been the ability of ECS to meet the demand for specialist, legal advice in the area of Christian ministry. We are therefore delighted to have been able to make some significant appointments this year, bringing in three new support staff (including a new position of Data & IT Analyst / Finance Officer), three new fee earners across all three of our legal teams, and perhaps most significantly filled the new position of Head of Legal Operations. As well as freeing up strategic time for our Managing Director, the new Head of Legal Operations will look to improve internal efficiency and effectiveness, helping us in our mission to meet a growing demand for our services with continued excellence.

We have complemented recruitment with a greater balance of seniority across teams, making two internal promotions within our Charities Team, and making an appointment at Partner level in our Employment Team. These appointments will improve workload across our teams, and bring greater expertise to our service offering, again helping us to achieve sustainable growth. We were also delighted to appoint two new trustees to our Board of Directors, each bringing their own wisdom and expertise and positively adding to our Board's diversity as we continue to seek the benefits of a diverse leadership.

Recognising the need for ongoing recruitment of lawyers passionate about our vision and mission, we continued to work with and support partnership organisations where we might see fruit from envisioning potential recruits. We were therefore delighted to once more sponsor the Lawyers' Christian Fellowship's annual conference, as well as sponsor and contribute to the legal panel at their Student and Young Lawyers' conference.

Recruitment is though only the first step – retaining our staff and trustees is the all-important next step, and is crucial for achieving growth that is sustainable. We love all our staff and seek to treat them in a way that honours our loving God. As such, we have worked hard this year to ensure that staff have appropriate workloads and are not overstretched, creating procedures for workload monitoring and new instruction taking. We have sought within our means to ensure that staff are appropriately remunerated, regularly reviewing staff pay and increasing this where possible, in light of inflationary increases. We have also fully updated our Staff Handbook to better reflect the operations of the firm today and the needs of our staff. Through both virtual and in-person staff days, we have been pleased to provide a high volume of training on many important topics such as GDPR, Cybersecurity, and AML and financial controls. Our in-person staff days are particularly important as a time for connection and fellowship as a staff team, building really meaningful and fruitful relationships amongst our team. Lastly, we conducted another employee survey to gather important information that will help the firm operate more effectively, but just as valuably to ensure all of our staff team had the opportunity to voice concerns, issues or ideas.

Continued growth and excellent service provision

Even with a considerable focus on putting things in place for future growth, we are thankful to God that we have still continued to grow this year, and been able to consistently provide the high level of client service that we aim for.

Our client feedback demonstrates this well – in the period covered in this report, clients collectively gave us a rating of 4.9 out of 5 for satisfaction and 9.6 out of 10 for likelihood to recommend ECS' services. This quantitative feedback alone would be of great encouragement to us, yet we have also been blessed with many wonderful comments from clients who have been thankful for the work we have been able to do for them, such as the below:

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

"As a church leadership team and congregation, we are so thankful to ECS for their highly personalised and professional help in our application to become a CIO and in resolving longstanding issues relating to the registration of our church property and building with the Land Registry. We are so blessed through you ... Simply put, ECS helped us achieve what we could not have done ourselves."

David Kelso Pastor, Gateshead Evangelical Church

We continue to provide both free and discounted advice thereby giving quality advice to clients who might not otherwise be able to afford it.

In terms of free support, 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, nearly 100 FIEC churches received free advice on over 100 enquiries, amounting to a total of over 100 hours of free, high-quality advice given to FIEC churches. Topics covered a wide range, with the most common areas of support being employment policies and contracts, charity registration and governing documents, and charity reporting requirements.

In our charged-for work, this year we were pleased to provide a total of over 6,000 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. This was formed of just under 4,500 hours of discounted advice to FIEC churches, over 1,500 hours to non-FIEC churches, and a further amount of time for smaller charities (charities with incomes below £500k).

Another way we sought to support the work of the FIEC was through having a presence at the FIEC Leaders' Conference this year. In the first of their national conferences since the pandemic, we were delighted to deliver a seminar equipping church leaders with the knowledge needed for identifying and taking steps to address the legal issues facing their churches, as well as maintaining a stall at which we engaged in many useful conversations with church leaders.

Our model document packs continue to be a valued resource for our clients, providing a cost effective way of obtaining high quality advice, guidance and template documents they can tailor to their own circumstances. We saw over 100 purchases of our various packs, and nearly 200 downloads of our numerous free resources, with our Employment Pack and CIO Booklet being our most popular paid-for and free resources respectively. We were pleased therefore to add to our library of resources this year with a recruitment pack to help in the recruitment process, an appraisal pack to help navigate the appraisal process, and a free guide for taking on employees for the first time. We also completed the creation of a suite of property guidance booklets, designed to better equip churches and organisations as they consider instructing us, with the aim of improving the efficiency of the process, saving the client money and ourselves time that can be invested back into our service.

We published a total of 20 online articles this year on a variety of important charity, employment and property matters relevant to our client base. These also included two new client stories – testimonial features that enable us to showcase the amazing work of some of clients, as well as explain and evidence the need they had, how ECS were able to meet that need, and the positive results that client are now experiencing in their ministry through our partnership with them. As we seek to fill gaps in our service provision and better equip our clients, we were also pleased to publish two articles on health and safety matters with the support of an external health and safety consultant.

As we look to effectively communicate our resources to a wide and diverse range of clients and other Christian organisations, we were pleased to see significant increases in subscriptions across all of our social media platforms, with our newsletter (+25%), Twitter (+20%) and LinkedIn (+30%) followings all increasing.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

Financial review

Despite some challenges through the year including higher than planned staff turnover, the year has ended with an encouraging financial position, and God's goodness to us has been clear.

Income from charitable activities within the year increased to just over £1m, an increase of around £105k from the prior period, or 11%. Although greater growth had been planned, this still represented a growing gospel impact through support of a growing number of beneficiaries in their charitable activities.

Expenditure also increased to just over £1m, which included the recruitment of new staff, and increased costs from inflationary pressures. Costs charged for the charity's work were increased just after the period being reported, in line with the wider inflationary environment, but this has been received generally positively. Additional investment was also made into Information Technology to procure new systems for the charity, although the majority of this cost will be incurred with the implementation and migration in the next financial period.

A small surplus of £22k was generated during the year, which will provide funds to allow for the next stage of investment into Information Technology.

Total funds at the end of the year increased to £527k.

A strategic priority in the forthcoming periods is to increase productivity, which the recruitment of a Head of Legal Operations and the migration to a new IT platform are anticipated to help drive.

Reserves policy

Our reserves policy is to hold current net assets to the greater of 6 month's expenditure and £350,000. 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.

At the end of the year, reserves were above this policy, with unrestricted current assets standing at £527k, representing just over 6 months' expenditure.

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. Trustees regularly review SRA compliance breaches. Management also regularly reviews key risk areas. 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.

A new Compliance Officer Practice (COLP) was appointed towards the end of the financial year. He will manage this role as part of his overall job as Head of Legal Operations. But the fact he is a full-time employee will further strengthen the charity's focus on regulatory compliance and risk.

The primary risks to the charity have been identified as staffing resources, management capacity and IT systems. 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.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

Plans for future periods

As we look ahead, we want to be working to increase the accessibility of Christ-centred legal expertise now and in the future. We want more and more clients to be able to see lasting fruits in their various ministries due to their engagement with ECS. Our aim is that whenever a church or a Christian organisation need it, we have the capacity to do the work in the timescales they need. And in all of this, we want our advice to be consistently excellent, biblically-shaped and gospel-focused without any client facing barriers to access it.

Our new, amended vision is therefore **accessible Christ-centred legal expertise wherever it will be fruitful**.

The next stage of our journey towards this vision involves focusing over the next couple of years on increasing the **quantity, quality** and **productivity** of our Christ-centred legal expertise.

Increased quantity

Building on our recruitment this year, we will further recruit and expand the scale of our work in line with an enlarged team. While we see the need for expansion in most areas, our particular focus in the immediate term is our employment work, and we are pleased to be in positive talks with several potential recruits for our Employment Team.

We will build on recruitment successes to create a strategy for future recruitment with improved structures to support further recruitment. Several planned activities will aid us in our search for legal professionals captured by our vision and mission: first, we will expand our advertising efforts, providing greater investment and more targeted campaigns to find the right people; second, we will identify and attend relevant events where we can grow awareness of ECS and our work, and connect with Christian legal professionals; third, we will produce a professional video capturing our identity, purpose and impact in a creative way, with the aim of envisioning potential recruits, as well as reaching further potential clients.

We will continue to provide and lovingly care for our staff, because we love them, but also pragmatically because it will aid staff retention and support our sustainable growth. As such we will ensure we provide sufficient training and development opportunities for our staff, as well as conduct another employee survey to ensure we are capturing all of our staff needs and any issues that may be present.

We will work further on creating clear business development plans to support future growth, including reaching a more diverse client base and clarity on work types being sought. As part of this, we will provide external training on diversity and equality, and seek to grow in our partnerships with churches and church groups that until now have been beyond our capacity to support. We will continue to explore potential partnerships with service providers outside of our immediate expertise, in order to better meet our clients' needs.

Increased quality

We will have a clear compliance plan regularly reviewed by the Board and policies will accurately reflect current regulatory demands, our core values, and are consistently followed.

Clear and well communicated service standards across the firm will be consistently followed providing a smooth and enjoyable client experience every time, supported by excellent IT.

Knowing that client feedback is such an invaluable resource for ensuring we achieve a consistently excellence service, we will look to ensure a higher and more representative return on our client feedback survey. Alongside this, we will ensure that complaints are handled promptly and effectively and lessons are learned from our clients' feedback, ensuring continual improvement.

Production of guidance notes, precedents and templates will continue, both internal documents for staff and external resources for clients. These will be biblically shaped as well as legally excellent, and will be quickly and easily accessible.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

Increased productivity

We want our lawyers to be consistent able to focus on client work without feeling burdened by administrative tasks, supported by an effective admin team and IT systems. Our IT project will go a long way to achieving this, and we are excited therefore by the planned 'go-live' date of our new practice management system towards the end of 2023.

Our new pricing structure comes into effect in the next period, enabling us to not only operate sustainably, but allow for the investments in people and resources that facilitate our growth and effectiveness.

We want our governance and management to be effective and efficient in overseeing all of this. We will therefore create clear role descriptions of company members, Board members, sub-committees and senior managers such that decision-making is consistently timely, effective and efficient.

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	(Resigned 25 September 2023)
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.

EDWARD CONNOR SOLICITORS

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

New trustees are given the Charity Commission guidance concerning the responsibilities of trustees, and an introductory overview of the organisation and their responsibilities within in. 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.

Statement of trustees' responsibilities

The trustees, who are also the directors of Edward Connor Solicitors for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that The Rowleys Partnership Ltd be reappointed as auditor of the company will be put at a General Meeting.

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.

David Cornish

.....signed on 01/11/2023, 09:25:27 GMT

D M Cornish

Trustee

Dated: 01/11/2023

EDWARD CONNOR SOLICITORS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EDWARD CONNOR SOLICITORS

Opinion

We have audited the financial statements of Edward Connor Solicitors (the 'charitable company') for the year ended 28 February 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other matters

The comparative financial statements of the charity for the year ended 28 February 2022 were unaudited.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our report of the independent auditor's thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

EDWARD CONNOR SOLICITORS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EDWARD CONNOR SOLICITORS

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the independent auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting frameworks (UK Generally Accepted Accounting Practice, the Companies Act 2006, the Charities Act 2011) and the relevant tax compliance regulations in the jurisdiction in which the charitable company operates. We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud;
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur;
- Our testing considered unusual or unexpected journal entries on a sample basis;
- We evaluated the assumptions and judgements used by management within significant accounting estimates and assessing if these indicate evidence of management bias;
- We tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the charitable company's normal course of business;
- We assessed the appropriateness of the collective competence and capabilities of the engagement team by understanding the practical experience with audit engagements of a similar nature and complexity, plus ensuring the team had appropriate and relevant training of the financial reporting framework and the relevant tax compliance regulations specific to the entity;
- We reviewed the financial statements and tested the disclosures against supporting documentation;
- We communicated relevant matters to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

EDWARD CONNOR SOLICITORS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF EDWARD CONNOR SOLICITORS

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

L. Parkes

signed on 01/11/2023, 10:50:30 GMT

The Rowleys Partnership Ltd

Statutory Auditor

Chartered Accountants

Charnwood House

Harcourt Way

Meridian Business Park

Leicester

LE19 1WP

.....01/11/2023

The Rowleys Partnership Ltd is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EDWARD CONNOR SOLICITORS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income and endowments from:</u>			
Donations and legacies	2	49	207
Charitable activities	3	1,044,863	940,702
Investments	4	80	148
Other income	5	(80)	3,149
Total income		<u>1,044,912</u>	<u>944,206</u>
<u>Expenditure on:</u>			
Raising funds	6	<u>3,873</u>	<u>870</u>
Charitable activities	7	<u>1,018,637</u>	<u>834,272</u>
Total expenditure		<u>1,022,510</u>	<u>835,142</u>
Net income for the year/ Net movement in funds		22,402	109,064
Fund balances at 1 March 2022		<u>504,314</u>	<u>395,250</u>
Fund balances at 28 February 2023		<u><u>526,716</u></u>	<u><u>504,314</u></u>

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 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	13	336,016		343,974	
Cash at bank and in hand		335,240		295,923	
		<u>671,256</u>		<u>639,897</u>	
Creditors: amounts falling due within one year	15	(119,540)		(100,583)	
Net current assets			551,716		539,314
Creditors: amounts falling due after more than one year	16		(25,000)		(35,000)
Net assets			<u>526,716</u>		<u>504,314</u>
Income funds					
Unrestricted funds			526,716		504,314
			<u>526,716</u>		<u>504,314</u>

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 2023, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the charitable company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

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 under the requirements of the Companies Act 2006, 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 on11/10/2023

David Cornish

.....signed on 01/11/2023, 09:25:27 GMT

D M Cornish

Trustee

Company registration number 10821224

EDWARD CONNOR SOLICITORS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	19		49,237		29,325
Investing activities					
Investment income received		80		148	
		<u>80</u>		<u>148</u>	
Net cash generated from investing activities			80		148
Financing activities					
Repayment of bank loans		(10,000)		(5,000)	
		<u>(10,000)</u>		<u>(5,000)</u>	
Net cash used in financing activities			(10,000)		(5,000)
Net increase in cash and cash equivalents			39,317		24,473
Cash and cash equivalents at beginning of year			295,923		271,450
Cash and cash equivalents at end of year			<u>335,240</u>		<u>295,923</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

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.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

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 2023

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
-----------------------	---

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 2023

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
	2023	2022
	£	£
Donations and gifts	49	207

3 Charitable activities

	2023	2022
	£	£
Charges and model document fees	1,044,863	940,702

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	80	148
	<u> </u>	<u> </u>

5 Other income

	Unrestricted funds	Total
	2023	2022
	£	£
Secondment fees and other income	777	1,041
Job Retention Scheme grant income	(857)	2,108
	<u> </u>	<u> </u>
	(80)	3,149
	<u> </u>	<u> </u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Advertising	1,873	870
Other fundraising costs	2,000	-
	<u> </u>	<u> </u>
	3,873	870
	<u> </u>	<u> </u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

7 Charitable activities

	2023 £	2022 £
Staff costs	792,988	644,811
Depreciation and impairment	-	34
Training, conferences and other staff costs	27,782	16,954
Meeting expenses	1,849	1,893
Insurance	55,542	39,892
Staff travelling expenses	2,465	1,175
Professional fees	33,763	54,820
Professional subscriptions	21,126	18,956
Audit and accountancy fees	14,350	1,850
Office expenses	35,415	26,182
Sundry expenses	22,346	26,115
Bank charges	1,945	1,459
Bad debts	88	131
IT project	8,978	-
	<u>1,018,637</u>	<u>834,272</u>

8 Auditor's remuneration

Fees payable to the charitable company's auditor and associates:	2023 £	2022 £
Audit of the charitable company's annual accounts	<u>12,250</u>	<u>-</u>

9 Trustees

Travel and meeting expenses of £381 were reimbursed to 3 trustees during the year (2022 - 3 trustees reimbursed £1,726).

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

In accordance with section 5 of its Articles of Association, three trustees were remunerated in connection with fulfilling their duties under their contracts of employment with the charitable company (2022 - three). During the year, Gemma Adam received gross remuneration of £35,435 (2022 - £32,037) and pension benefits of £3,189 (2022 - £2,883), Caroline Eade received gross remuneration of £59,059 (2022 - £53,503) and pension benefits of £5,315 (2022 - £4,815) and David Cornish received gross remuneration of £48,693 (2022 - £41,546) and pension benefits of £4,382 (2022 - £3,739).

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Trustee directors	9	9
Fee earners and support staff	24	18
	<u>33</u>	<u>27</u>

Employment costs

	2023 £	2022 £
Wages and salaries	670,839	550,324
Social security costs	62,234	46,055
Other pension costs	59,915	48,432
	<u>792,988</u>	<u>644,811</u>

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 March 2022	<u>12,052</u>
At 28 February 2023	<u>12,052</u>
Depreciation and impairment	
At 1 March 2022	<u>12,052</u>
At 28 February 2023	<u>12,052</u>
Carrying amount	
At 28 February 2023	<u>-</u>
At 28 February 2022	<u>-</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	150,656	185,764
Prepayments and accrued income	185,360	158,210
	<u>336,016</u>	<u>343,974</u>

14 Loans and overdrafts

	2023 £	2022 £
Bank loans	<u>35,000</u>	<u>45,000</u>
Payable within one year	10,000	10,000
Payable after one year	<u>25,000</u>	<u>35,000</u>

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

15 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	14	10,000	10,000
Other taxation and social security		78,483	75,902
Trade creditors		5,414	3,351
Other creditors		19	674
Accruals and deferred income		25,624	10,656
		<u>119,540</u>	<u>100,583</u>

16 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	14	<u>25,000</u>	<u>35,000</u>

EDWARD CONNOR SOLICITORS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

17 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:

	2023 £	2022 £
Within one year	22,089	18,388
Between two and five years	16,005	8,833
	<u>38,094</u>	<u>27,221</u>

18 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 £14,118 (2022 - £12,172) and pension benefits of £1,271 (2022 - £913).

19 Cash generated from operations

	2023 £	2022 £
Surplus for the year	22,402	109,064
Adjustments for:		
Investment income recognised in statement of financial activities	(80)	(148)
Depreciation and impairment of tangible fixed assets	-	34
Movements in working capital:		
Decrease/(increase) in debtors	7,958	(77,771)
Increase/(decrease) in creditors	18,957	(1,854)
Cash generated from operations	<u>49,237</u>	<u>29,325</u>

20 Analysis of changes in net funds

	At 1 March 2022 £	Cash flows £	At 28 February 2023 £
Cash at bank and in hand	295,924	39,316	335,240
Loans falling due within one year	(10,000)	-	(10,000)
Loans falling due after more than one year	(35,000)	10,000	(25,000)
	<u>250,924</u>	<u>49,316</u>	<u>300,240</u>