

MERSEYSIDE LAW CENTRE LIMITED

**ANNUAL REPORT &
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 2025**

**Company Number: 09882302
Charity Number: 1199464**

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MERSEYSIDE LAW CENTRE LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

The trustees are pleased to present their report for the year ended 31st March 2025.

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

The purposes of the charitable company are: the relief of poverty, suffering and distress among persons resident studying or working in Merseyside and the surrounding areas by

- a) providing them with legal services which they could not otherwise obtain because of the lack of means
- b) educating them on their legal rights and responsibilities and on the operation of the law and legal systems.

Public Benefit Statement

The trustees confirm that they have referred to the Charity Commissions guidance on public benefit when reviewing the charities aims and objectives, in planning future activities, and setting the policies for the year.

The main activities undertaken for the public benefit are the provision of free, independent legal advice, assistance and representation with housing, homelessness, immigration and asylum and welfare benefits.

ACHIEVEMENTS AND PERFORMANCE

Once again, this year's annual report shows the important service that Merseyside Law Centre delivers for the residents of Merseyside. We have delivered advice to residents of Liverpool, Knowsley, St Helens, Sefton, and Wirral during the last year. The advice and support provided by Merseyside Law Centre (MLC) has life changing results – enabling people to stay in their homes, helping them to cope a little better with the cost-of-living, and reducing anxiety for those who are faced with multiple and complex issues.

Achievements

During April 2024 to March 2025, we have:

- Dealt with 2,255 enquiries.
- Opened 491 new housing cases.
- Opened 139 new welfare benefits cases.
- Opened 10 immigration cases.
- Achieved £799,315 in financial gains for clients (including one-off payments and ongoing/annual amounts).

Our clients

From the data that we have collected during the reporting period, we can identify that:

- 42% of our clients were female and 36% were male (unspecified/prefer not to say 22%).
- For those clients that reported their age, the majority (88%) are aged between 25 and 64 years old, with 35 to 44 (26%) and 45 to 54 (23%) being the most common ages within this wider grouping.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

- 10% are disabled and 90% non-disabled.
- Of those that described their ethnicity 8% are of Asian ethnicity, 9% are Black, 2% Mixed, 8% describe themselves as other and 73% are White.

The majority of our enquirers and clients are from Liverpool and the rest of Merseyside:

- Liverpool – 70.7%
- Knowsley – 6.1%
- St Helens – 4.3%
- Sefton – 3.2%
- Wirral – 7.7%
- Other locations outside area of benefit – 8%

Housing

Housing enquiries are by far the largest type of enquiries and cases that we deal with, at 51% of all enquiries and 77% of all new cases opened.

With both a Legal Aid contract and HLPAS delivery, as well as drop-ins, and a web-based enquiry form, there are a range of ways for clients to access our housing advice services. Due to staff capacity, we can't deal with all housing enquiries, but despite this, we make a significant impact on our clients' lives including:

Outcome	Number clients
Homelessness delayed	83
Homelessness prevented / remained in property	166
TOTAL	249

Case study – Dave's Story

Dave was living in a one-bedroom flat in a House of Multiple Occupation (HMO) with his two young children, who had recently moved in with him on a full-time basis. The property not only lacked adequate space but was also in disrepair, resulting in cold and damp conditions.

An improvement notice had been issued to the landlord, who made some attempts at fixing the situation; however, these efforts did not work. The overall environment was adversely affecting both the mental and physical health of the client and his children.

Dave told us that he had submitted a homelessness application several months before. Despite making nearly daily inquiries with the council, he had yet to receive a response or a decision regarding his application. After taking on his case and reviewing all of the information we issued a letter before action, indicating our intention to the council to pursue an investigation of the case. Within two weeks, Dave contacted us to tell us that he had been offered a three-bedroom house. Dave was very grateful for the advice he'd got from us and said:

"It's as though my life is starting all over again for the better."

Welfare Benefits

Welfare benefit enquiries make up 15% of all enquiries and 22% of all new cases opened.

With the addition of a Welfare Team Lead post in March 2024, and the appointment of an over 65's caseworker in September 2024 (funded by Independent Age), the number of welfare cases has risen from 55 in 2023-24 to 149 in 2024-25.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

Through the welfare benefits advice provided 70+ clients have received financial gains that include one off and ongoing/annual benefit awards.

Case study – Sarah's Story

Sarah is married with a young family. She has been grappling with debilitating illnesses for over two years. Although she has a professional background that has a substantial earning potential, due to her illnesses, her working life has been affected. Sarah did have support from her work colleagues to make some necessary workplace adjustments, but due to her ongoing illnesses, Sarah needed to reduce her working hours.

Sarah's health challenges continued to the point where she was no longer able to do basic tasks, such as cooking for her family and taking her children to and from school. Because of this, Sarah's husband had to reduce his working hours to care for both her and their children. The financial strain that resulted from all of these changes was very stark. They had gone from both working and being reasonably financially stable to being reliant on foodbanks.

As part of our support, we prepared a written submission and presented the relevant appeal documents. Our attendance at the tribunal was instrumental in Sarah being awarded standard daily living and enhanced mobility support. This represented a significant increase in her benefits, elevating her weekly support from £26.90 to £140, along with an additional annual benefit of £5,881.20.

Immigration

During 2022/23 Merseyside Law Centre began a journey to develop immigration advice as a new area of delivery. Working in partnership with Greater Manchester Immigration Aid Unit (GMIAU) and as part of the Justice Together Initiative funding programme, MLC gained funding to develop the service. Following the appointment of an experienced immigration Solicitor in February 2023, we were able to apply for a Legal Aid contract in Immigration and started delivery. With a Trainee Solicitor assisting in the delivery of immigration advice, we were able to deliver a much-needed area of advice, especially once we had moved to our new premises in Toxteth.

Following the loss of our senior immigration solicitor, we continued to deliver the service working with GMIAU who supervised the work of the Trainee Solicitor. In November 2024 our Trainee Solicitor qualified but decided to leave the organisation to take up a post with a commercial solicitors firm. Since then, existing open immigration cases have been undertaken by staff from GMIAU. We have suspended the Legal Aid contract and worked to try and recruit immigration staff – both at solicitor and caseworker levels but have been unsuccessful. For the remainder of the financial year, we have not been able to deliver immigration advice, for which there is a huge gap in provision in the City.

Staffing changes during 2024 - 2025

New CEO

In 2024 the Board of Trustees agreed to create a CEO post for the organisation, which would release the Head of Legal Practice (HOLP) from the Director role, enabling her to focus on legal advice planning and delivery for the organisation, supervision of Trainee Solicitors, as well as her own caseload.

Our new CEO started in August 2024 and as a non-advice practising CEO with over 30 years' experience of working in the voluntary sector, she has brought a range of skills and experience, including senior management, fundraising, governance and charity law and compliance, that has been very beneficial to the organisation.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

Fundraiser & Data Analyst

Our Fundraising & Data Analyst, Dave Coe, very sadly passed away at the end of March 2025. Dave was not only a popular, funny and charming person to work with, but also played a huge role in the sustainability of the organisation. His success at fundraising was instrumental in helping the centre to grow, and he is very sorely missed.

We haven't recruited to the post, meaning existing staff have taken on the work of analysing data, writing funder reports as well as identifying and responding to funding opportunities.

Operations Director

Our Operations Director moved to a newly created Finance Officer post in January 2025. Originally part of the Operations Director role, the new Finance Officer post has enabled an even greater focus on finance planning and record-keeping for the organisation. The retention of an experienced member of staff has been very beneficial to the organisation, enabling continuity and the sharing of information for a new operations staff member. Interim operations staffing while a new Operations Manager post was recruited proved invaluable during the end of the financial year.

Partnerships

Raise Advice

MLC don't deliver debt advice, so we work in partnership with raise Advice to facilitate debt appointments for MLC clients. During the year we have assisted 81 of our clients to access debt advice on things like: applications for Breathing Space, negotiating repayments, DROs and debts written off.

West Derby Centre for Social Justice

During the year we worked in partnership with Ian Byrne MP on the development of the West Derby Centre for Social Justice. Launched in March 2025, the Centre provides a range of different types of advice directed at the Dovecot community and surrounding areas in Liverpool. A community on the fringe of the City, Dovecot is an area of deprivation, where residents are often reluctant to seek advice if they need to travel to the city centre to access it. Partner organisations delivering services from the Centre recognise the benefits of having outreach services at the Centre, as they are able to meet with hard-to-reach clients.

Liverpool Access to Advice Network

MLC are an executive committee member of the Liverpool Access to Advice Network (LATAN). LATAN is the community of practice for Liverpool's free legal advice sector, providing activities, resources and a focus for collaborative working. Made up of nearly 200 partner organisations the network aims to help advice and support organisations to be better informed, work collaboratively, provide a joint voice in consultations on policy and practice, all to maximise the effectiveness of a local free legal advice sector that has seen funding reduce and rising demand.

FINANCIAL REVIEW

Total income for the year was £525,198 (2024: £578,929) of which £327,264 (2024: £315,502) related to funding for projects upon which restrictions are placed.

Total expenditure for the year was £485,728 (2024: £402,983) leaving a surplus for the year of £39,470 (2024: surplus £175,946).

At 31st March 2025 the charitable company's reserves stood at £395,860 (2024: £356,390) of which £94,283 (2024: £120,577) represented restricted funds.

MERSEYSIDE LAW CENTRE LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

RISK ASSESSMENT

The trustees have conducted a review of the major risks to which the charity is exposed, and systems have been established to mitigate those risks.

The Cost-of-Living crisis continues to be a factor for both the organisation and for our clients - staffing costs and utilities are increasing and the number of clients facing hardship is increasing. 2025 has presented the start of a difficult year for accessing funders – due to increasing costs for charities, changing funder priorities and funding strategies, competition for funding has increased considerably. Government policy to cut funding to local authorities continues to have an extreme impact on the independent advice sector. Our risk management has focused on the threat to our income streams and our planning for the future has been shaped around strategic development that protects our core services and positions us to be able to respond to emerging opportunities, including partnerships and collaborations, increase sustainability and meet increasing need.

RESERVES POLICY

It is the policy of the charity to maintain unrestricted funds, which are free reserves at a level to cover redundancy provision and six months of running costs should no further funding be received.

At the end of the financial year, unrestricted funds totalled £301,577 of which £3,437 is represented by tangible assets, less designated funds £57,709, leaving surplus free unrestricted reserves of £240,431. The charitable company requires £30,079 for redundancy provision £66,085 for six months running costs, (total £96,164).

The trustees plan for the balance of the unrestricted reserves is for salary of an unfilled welfare rights team leader post, additional salary costs which will be incurred following an organisational wide pay review and increased/additional office costs to help us meet increased demand.

PLANS FOR FUTURE

For 2025-26 we plan to continue our work towards sustainability. Our aim is not only to maintain a sound financial footing, but to work to meet the increasing challenges of the legal advice/representation needs of our community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a charitable company limited by guarantee, incorporated on 20th November 2015 (company number 09882302) and registered as a charity (charity number 1199464) on 28th June 2022.

The Governing Instruments under which the charitable company operates comprise the Memorandum and Articles of Association dated 20th November 2015 and amended by special resolution 23rd September 2021.

Appointment of trustees

As set out in the Articles of Association, trustees of the charitable company, may by ordinary resolution appoint a person who is willing to act as a director and determine the rotation in which any additional directors are to retire.

Trustee Induction and training

Trustees undertake an induction when they join the board, discuss their prospective role and responsibilities with the Chair, the Director, and other key trustees. Any training is bespoke to this role.

MERSEYSIDE LAW CENTRE LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2025

Organisation

The board of trustees administers the charity. The board normally meets every two months. The Director is appointed by the trustees to manage the day-to-day operations of the charitable company.

REFERENCE AND ADMINISTRATIVE DETAILS

Name	Merseyside Law Centre Limited	
Company Number	09882302	
Charity Number	1199464	
Registered Office	Kuumba Imani Millenium Centre 4 Princes Road Liverpool, England L8 1TH	
Trustees	S Cotter-Burgess G A Moglione M Weights B Wentworth M Wilson	(Resigned 12 th December 2024)
Secretary	J Coe E Reed	(Resigned 19 th November 2024) (Appointed 19 th November 2024)
Independent Examiner	Ying Huang ACCA LCVS 151 Dale Street Liverpool L2 2AH	
Bankers	Lloyds Bank PLC South Shields King St Po Box 1000 BX1 1LT	

Signed on behalf of the Board of Trustees


.....

M Weights- Trustee

Date: 09/12/2025

MERSEYSIDE LAW CENTRE LIMITED
STATEMENT OF TRUSTEES' RESPONSIBILITIES

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 as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those financial statements, the trustees should follow best practice and:

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

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) (effective 1st January 2019).

By Order of the Board



M Weights- Trustee

Kuumba Imani Millenium Centre
4 Princes Road
Liverpool, England
L8 1TH

Date: 09/12/2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MERSEYSIDE LAW CENTRE LIMITED

I report on the accounts of the charitable company for year ended 31st March 2025, which are set out on pages 10 to 24.

Respective
responsibilities of
trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, and
- to state whether particular matters have come to my attention.

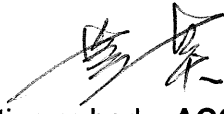
Basis of independent
examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's
statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: **Mrs Ying Huang** 
Relevant professional qualification or body: **ACCA**
Address: **c/o LCVS 151, Dale Street, Liverpool, L2 2AH**
Dated:10/12/2025.....

MERSEYSIDE LAW CENTRE LIMITED**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2025**

	Notes	Unrestricted Funds 2025	Restricted Funds 2025	Total Funds 2025	Total Funds 2024
Income and endowments from:		£	£	£	£
Donations and legacies	3a	41,249	-	41,249	22,470
Charitable activities	3b	156,007	327,264	483,271	555,690
Investments	3c	678	-	678	640
Other income	3d	-	-	-	129
Total income		197,934	327,264	525,198	578,929
Expenditure on:					
Charitable activities	4	132,170	353,558	485,728	402,983
Total expenditure		132,170	353,558	485,728	402,983
Net income/(expenditure), net movement in funds		65,764	(26,294)	39,470	175,946
Total funds brought forward	10,11	235,813	120,577	356,390	180,444
Total funds carried forward	9-11	301,577	91,283	392,860	356,390
		=====	=====	=====	=====

The notes on pages 13 to 24 form part of these accounts.

All the above amounts relate to continuing activities of the charitable company.

MERSEYSIDE LAW CENTRE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2025

Company Number 09882302

	Notes	31 st March 2025		31 st March 2024	
		£	£	£	£
Fixed assets					
Tangible fixed assets	5		5,652		4,296
Current assets					
Debtors	6	83,283		101,548	
Cash at bank and in hand		375,540		327,441	
		-----		-----	
		458,823		428,989	
Current liabilities					
Creditors: amounts falling due within one year	7	(16,393)		(23,473)	
		-----		-----	
Net current assets			442,430		405,516
			-----		-----
Net assets			448,082		409,812
Creditors: amounts falling due after more than one year	8		(52,222)		(53,422)
			-----		-----
Total assets less current liabilities			395,860		356,390
			=====		=====
Funds:					
Unrestricted funds	9, 10		301,577		235,813
Restricted funds	9,11		94,283		120,577
			-----		-----
			395,860		356,390
			=====		=====

These financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

For the period covered by these accounts the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The trustees, who are the directors of the company, acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approved by the Board on 09/12/2025, and signed on their behalf by:



M Weights- Trustee

Date 09/12/2025

MERSEYSIDE LAW CENTRE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

	Notes	31 st March 2025	31 st March 2024
		£	£
Cash flows from operating activities			
Cash generated from operations	16	50,535	124,708
Investing activities			
Purchase of tangible fixed assets		(2,436)	(-)
Net cash (used in) investing activities		(-)	(-)
Net cash generated from financing activities		-	-
Net increase in cash and cash equivalents		48,099	124,708
Cash and cash equivalents at beginning of year		327,441	202,733
Cash and cash equivalents at end of year		375,540	327,441
		=====	=====
Represented by:			
		31 st March 2025	31 st March 2024
		£	£
Cash at bank and in hand		375,540	327,441
		=====	=====

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

1. Limited Liability

The charity is a company limited by guarantee without share capital. Each member's liability is limited to £10.

2. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published (FRS 102) (effective 1st January 2019).

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Going concern

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

Fund accounting

Unrestricted funds are the charity's free reserves available for the trustees to apply in accordance with the charitable company's charitable objectives.

Restricted funds are subject to specific restrictive conditions imposed by the donor. All restricted funds are accounted for as restricted income and expenditure for the purposes is charged to the fund.

Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and legacies comprise of donations and general grants which are recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

Income from charitable activities is recognised on an accrual's basis except for grants receivable, which are recognised.

Income from investment relates to bank interest received and is recognised when the amount is certain. Income received on funds for a specific purpose is allocated to that fund were material.

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Expenditure recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accrual basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the Statement of Financial Activities. Support and governance costs are applied to unrestricted funds unless specifically included in the restrictions, as specified by the donor.

Expenditure on charitable activities relates to the operation of the charity comprising of direct charitable expenditure to meet the objectives of the charitable company. Support and governance costs relate to the management and operation of the organisation and also compliance with constitutional and statutory requirements in producing the annual report. These are dealt with in the Statement of Financial Activities when payment has been approved by the charitable company.

Fixed Assets

Capital expenditure stated in the balance sheet at cost less accumulated depreciation. Depreciation is provided to write off the cost of each asset over its expected useful life as below:

Computer Equipment	20% reducing balance basis
Fixtures and Fittings	20% reducing balance basis

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.

Financial instruments

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

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

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

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.

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

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 receipts 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.

Derecognition of financial liabilities

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

Taxation

Income and gains are exempt from taxation as they are received and applied for charitable purposes only. The charitable company benefits from various exemptions from taxation afforded by tax legislation and are not liable to corporation tax on income or gains falling within those exemptions.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. Income and endowments from:

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
a. Donations and legacies				
Donations	2,236	-	2,236	470
General grants	39,013	-	39,013	22,000
	-----	-----	-----	-----
	41,249	-	41,249	22,470
	=====	=====	=====	=====

Donations and legacies income for year end 2024 related wholly to unrestricted fund.

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
b. Charitable activities				
Access to Justice Foundation	-	168,428	168,428	149,419
Albert Hunt Trust	-	8,000	8,000	7,000
Contract and sales income	156,007	-	156,007	203,207
Independent Age	-	42,131	42,131	-
John Moores Foundation	-	10,000	10,000	8,000
LCVS Community Impact Fund	-	-	-	3,240
Legal Education Foundation	-	5,000	5,000	-
Legal Service income	-	-	-	35,731
Liverpool City Council	-	12,500	12,500	25,000
Community Recourse Grant	-	-	-	-
National Lottery Community Fund	-	-	-	55,524
Our Liverpool	-	46,192	46,192	-
P H Holt Foundation	-	7,500	7,500	-
Room hire	-	-	-	1,250
Sam and Bella Sebba	-	-	-	40,000
Charitable Foundation	-	-	-	-
Steve Morgan Foundation	-	27,513	27,513	27,319
	156,007	327,264	483,271	555,690

Income from charitable activities for year end 2024 comprised £240,188 for unrestricted funds and £315,502 related to restricted funds.

c. Investments	£	£	£	£
Bank interest	678	-	678	640

Investments income for year end 2024 related wholly to unrestricted fund.

d. Other income	£	£	£	£
HMRC interest income	-	-	-	129

Other income for year end 2024 related wholly to unrestricted fund.

MERSEYSIDE LAW CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025****4. Expenditure on charitable activities**

	Direct Charitable Expenditure	Support & Governance Costs	Total 2025	Total 2024
	£	£	£	£
To provide legal services	249,038	236,690	485,728	402,983
	=====	=====	=====	=====

a. Analysed as follows:

	2025	2024
	£	£
<i>Direct charitable expenditure:</i>		
Staff salaries costs	214,629	194,683
Pension	5,565	5,431
Interpreters, court fees	9,524	20,823
Equipment	4,835	3,107
Subscriptions	13,619	10,448
Clients' payments	-	3,000
Room hire	-	230
Volunteer expenses	810	346
Travel and subsistence costs	56	208
	-----	-----
	249,038	238,276
	-----	-----

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

	2025	2024
	£	£
<i>Support & Governance costs:</i>		
Staff salaries costs	152,619	115,480
Pension	3,844	2,865
Temporary staff	4,005	-
Recruitment	345	347
Computer support and software	3,771	8,212
Consultancy and professional fees	10,779	2,667
Donation	-	90
Building running costs	37,683	18,522
Insurance	4,894	2,106
Office costs	3,583	2,557
Website costs	500	-
Sundry	3,681	1,680
Training	3,198	5,725
Archiving		101
DBS fees	2,601	392
Refreshments	417	369
HMRC charges	-	817
Bank charges	93	87
Loss on disposal of fixed assets	-	17
Payroll fees	1,920	-
Accountancy fees	1,677	1,595
Depreciation charge	1,080	1,078
	236,690	164,707
	=====	=====
Total expenditure on charitable activities	485,728	402,983
	=====	=====

£353,558 (2024: £229,752) of the above expenditure relates to restricted funding.

b. Staff Costs	2025	2024
	£	£
Gross salaries and wages	341,231	289,667
Social security costs	26,017	20,496
Pension Costs	9,409	8,296
	376,657	318,459
	=====	=====

c. Particulars of employees:

The average number of employees during the period was 13 (2024: 10), and calculated on the basis of full-time equivalents, was as follows:

	2025	2024
Charitable activities	10.65	11.00
	=====	=====

MERSEYSIDE LAW CENTRE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

No employee received emoluments of more than £60,000 during the year (2024: Nil).

The Trustees, being also the Directors of the Company, are not remunerated for their services and are not included in the above number of employees.

No out-of-pocket expenses were reimbursed to trustees in the year.

5. Tangible fixed assets

	Computer Equipment	Fixtures and Fittings	Total
Cost	£	£	£
Balance at 1 st April 2024	3,335	2,538	5,873
Additions	2,436	-	2,436
	-----	-----	-----
Balance at 31st March 2025	5,771	2,538	8,309
	-----	-----	-----
Accumulated Depreciation			
Balance at 1 st April 2024	1,036	541	1,577
Charge for the year	681	399	1,080
	-----	-----	-----
Balance at 31st March 2025	1,717	940	2,657
	-----	-----	-----
Net Book Value at 31st March 2025	4,054	1,598	5,652
	=====	=====	=====
Net Book Value at 31st March 2024	2,299	1,997	4,296
	=====	=====	=====

6. Debtors

	2025	2024
	£	£
Work in progress	65,582	52,456
Prepayments	701	516
Other Debtors	17,000	48,576
	-----	-----
	83,283	101,548
	=====	=====

7. Creditors: amounts falling due within one year

	2025	2024
	£	£
Creditors and Accruals	5,613	2,344
Other Creditors	1,200	1,200
VAT	1,003	1,532
Taxation and social security	6,960	15,206
Pension	1,617	3,191
	-----	-----
	16,393	23,473
	=====	=====

MERSEYSIDE LAW CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025****8. Creditors: amounts falling due more than one year**

	2025	2024
	£	£
Other Creditors	52,222	53,422
	=====	=====

Other creditors consist of Legal Aid overpayment being repaid £1,200 per year.

9. Analysis of net assets between funds

2025	Tangible Fixed Assets	Net Current Assets	Creditors due more than one year	Total
	£	£	£	£
Unrestricted Funds				
General Fund	3,437	292,653	(52,222)	243,868
Designated				
Justice Together Trainee	-	42,709	(-)	42,709
Welfare Benefits Post	-	15,000	(-)	15,000
	-----	-----	-----	-----
	3,437	350,362	(52,222)	301,577
Restricted Funds				
Access to Justice Foundation	1,029	3,281	(-)	4,310
Albert Hunt Trust	-	8,000	(-)	8,000
Independent Age	593	24,595	(-)	25,188
John Moores Foundation	-	2,500	(-)	2,500
Legal Education Foundation	593	-	(-)	593
Our Liverpool	-	46,192	(-)	46,192
P H Holt Foundation	-	7,500	(-)	7,500
	-----	-----	-----	-----
	2,215	92,068	(-)	94,283
	-----	-----	-----	-----
Total Funds	5,652	442,430	(52,222)	395,860
	=====	=====	=====	=====

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

2024	Tangible Fixed Assets	Net Current Assets	Creditors due more than one year	Total
	£	£	£	£
Unrestricted Funds				
General Fund	4,296	167,252	(53,422)	118,126
Designated				
Justice Together Trainee	-	37,687	(-)	37,687
Welfare Benefits Post	-	40,000	(-)	40,000
Dovecot Justice Hub	-	40,000	(-)	40,000
	4,296	284,939	(53,422)	235,813
Restricted Funds				
Access to Justice Foundation	-	91,201	(-)	91,201
John Moores Foundation	-	667	(-)	667
LCVS Community Impact Fund	-	1,382	(-)	1,382
National Lottery Awards for All	-	7,327	(-)	7,327
Sam and Bella Sebba Charitable Foundation	-	20,000	(-)	20,000
	-	120,577	(-)	120,577
Total Funds	4,296	405,516	(53,422)	356,390

10. Unrestricted Funds

2025	Reserves at Beginning of year	Movements in the year		Transfer between funds	Reserves at end of year
	£	Income £	Expenditure £	£	£
General Fund	118,126	167,553	(106,811)	65,000	243,868
Designated					
Justice Together Trainee	37,687	30,381	(25,359)	-	42,709
Welfare Benefits Post	40,000	-	(-)	(25,000)	15,000
Dovecot Justice Hub	40,000	-	(-)	(40,000)	-
	235,813	197,934	(132,170)	-	301,577

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

2024	Reserves at Beginning of year £	Movements in the year			Reserves at end of year £
		Income £	Expenditure £	Transfer between funds £	
General Fund	109,410	218,443	(129,727)	(80,000)	118,126
Designated					
Justice Together Trainee	36,207	44,984	(43,504)		37,687
Welfare Benefits Post	-	-	(-)	40,000	40,000
Dovecot Justice Hub	-	-	(-)	40,000	40,000
	-----	-----	-----	-----	-----
	145,617	263,427	(173,231)	-	235,813
	=====	=====	=====	=====	=====

General Fund is used to finance the charitable company's general activities as outlined in the Trustees' Report.

Designated funds are set aside for new trainee a new employee and new project due to start in year end 2025

Transfer of funds is the movement of the designated funds

11. Restricted Funds

2025	Reserves at Beginning of year £	Movements in the year		Reserves at end of year £
		Income £	Expenditure £	
Access to Justice Foundation	91,201	168,428	(255,319)	4,310
Albert Hunt Trust	-	8,000	(-)	8,000
Independent Age	-	42,131	(16,943)	25,188
John Moores Foundation	667	10,000	(8,167)	2,500
LCVS Community Impact Fund	1,382	-	(1382)	-
Legal Education Foundations	-	5,000	(4,407)	593
Liverpool City Council Community Recourse Grant	-	12,500	(12,500)	-
National Lottery Awards for All	7,327	-	(7,327)	-
Our Liverpool	-	46,192	(-)	46,192
P H Holt Foundation	-	7,500	(-)	7,500
Sam and Bella Sebba Charitable Foundation	20,000	-	(20,000)	-
Steve Morgan Foundation	-	27,513	(27,513)	-
	-----	-----	-----	-----
	120,577	327,264	(353,558)	94,283
	=====	=====	=====	=====

MERSEYSIDE LAW CENTRE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025**

2024	Movements in the year			Reserves at end of year
	Reserves at Beginning of year	Income	Expenditure	
	£	£	£	£
Access to Justice Foundation	-	149,419	(58,218)	91,201
Albert Hunt Trust	-	7,000	(7,000)	-
John Moores Foundation	-	8,000	(7,333)	667
Law Centre Network	7,500	-	(7,500)	-
LCVS Community Impact Fund	-	3,240	(1,858)	1,382
Liverpool City Council Community Recourse Grant	-	25,000	(25,000)	-
National Lottery Awards for All	7,327	-	(-)	7,327
National Lottery Community Fund	-	55,524	(55,524)	-
Sam and Bella Sebba Charitable Foundation	20,000	40,000	(40,000)	20,000
Steve Morgan Foundation	-	27,319	(27,319)	-
	-----	-----	-----	-----
	34,827	315,502	(229,752)	120,577
	=====	=====	=====	=====

These are monies given to the charitable company to be spent at the discretion of the Board of Trustees for specific charitable purposes.

Access to Justice Foundation – Contribution towards social welfare advice and specialist legal welfare advice

Albert Hunt Trust - Contribution towards advice service

Independent Age – Support older people in financial hardship advice

John Moores Foundation – Contribution towards essential computer support

Law Centre Network - Contribution towards advice service

LCVS Community Impact Fund - Contribution towards laptops for volunteers and new office space

Legal Education Foundation – Contribution towards trainee solicitors' salary and oncosts

Liverpool City Council Community Recourse Grant – Contribution towards advice service

National Lottery Awards for All – Contribution toward multilingual translation services.

National Lottery Community Fund - Contribution toward cost-of-living project

Our Liverpool – Contribution towards support for people seeking asylum, refugees and vulnerable migrants.

P H Holt Foundation – Contribution towards volunteer equipment

Sam and Bella Sebba Charitable Foundation – Contribution towards immigration advice

Steve Morgan Foundation – Contribution towards an assessment and triage worker in the Dovecot office.

MERSEYSIDE LAW CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

12. Lease Commitments

Merseyside Law Centre has a lease agreement with Kuumba Imani Millennium Centre Limited for three years for the period of 1st March 2023 to 28th February 2026. Plus, Dovecot mac for one year for the period of 1st September 2024 to 31st August 2025.

	2025	2024
	£	£
Due 1 year	22,260	15,260
Due 1 to 2 years	-	15,260
	-----	-----
	22,260	30,520
	=====	=====

13. Contingent Liabilities

The Charitable Company did not have any contingent liabilities at 31st March 2025 and 31st March 2024.

14. Related Party Transactions

There were no material related party transactions during the year which require disclosure.

15. Guarantees

As at 31st March 2025, 5 members had given a guarantee of £10 each in the event of the charitable company winding-up; total: £50. (2024: 5 Members £50)

16. Cash generated from operations

	2025	2024
	£	£
Surplus for the year	39,470	175,946
Adjustments for:		
Depreciation	1,080	1,078
Loss on disposal of tangible fixed asset	-	17
Movements in working capital:		
(Increase)/decrease in debtors	18,265	(53,646)
Increase/(decrease) in creditors	(7,080)	2,513
Increase/(decrease) in creditors due more than one year	(1,200)	(1,200)
	-----	-----
Cash generated from operations	50,535	124,708
	=====	=====