

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales · Charity number 265703

Details

Other names	LEGAL ACTION GROUP
Status	Registered
Legal form	Charitable company
Company number	01095065
Registered	1973-06-21
Register	View on the Charity Commission register

Contact

Address	2nd Floor Gatehouse Chambers 1 Lady Hale Gate London WC1X 8BS
Phone	02078332931
Email	lag@lag.org.uk
Website	www.lag.org.uk

Activities

Objects: TO PROMOTE AND ADVANCE EDUCATION AND KNOWLEDGE OF THE LAW IN THE UNITED KINGDOM AND SECONDLY TO RELIEVE POOR PERSONS IN THE UNITED KINGDOM BY PROMOTING AND ASSISTING WITH THE PROVISION OF LEGAL SERVICES WHICH WOULD NOT OTHERWISE BE AVAILABLE TO THEM THROUGH LACK OF MEANS.

Activities: LAG Education and Service Trust Limited (more commonly known as LAG), is a national charity, which promotes equal access to justice. It achieves its objectives by publishing legal books and its monthly magazine Legal Action plus running training courses. Its main customers are lawyers and publicly funded legal services.

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£505,749	£440,083	£103,890	5
2023-12-31	£423,525	£457,401	-	-
2022-12-31	£489,063	£529,445	-	-
2021-12-31	£568,621	£564,752	£112,482	6
2020-12-31	£539,026	£506,302	£108,613	6

Trustees

Name	Role	Appointed
Alastair Logan		2023-04-11
Amanda Louise Groves		2023-03-24
Annabel Lee		2025-09-29
Brian Dikoff		2025-09-29
Charlotte Alicia Hughes		2022-03-22
Jonathan Simon Robins		2022-02-04
Lisa Linds		2022-02-04
Sarah Helen Michael		2025-09-29

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales - Charity number 265703

Accounts

Company registration number: 01095065

Charity registration number: 265703

L.A.G. Education and Service Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

L.A.G. Education and Service Trust Limited

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L.A.G. Education and Service Trust Limited

Reference and Administrative Details

Trustees	Julian Allen
	Rosalind Bragg
	Amanda Groves
	Charlotte Hughes
	Lisa Linde
	Alastair Logan
	Adriano Moraes
	Jonathan Robins
Charity Registration Number	265703
Company Registration Number	01095065
Registered Office	The charity is incorporated in England and Wales.
	2nd Floor
	Gatehouse Chambers
	1 Lady Hale Gate
	WC1X 8BS
Independent Examiner	Field Sullivan Limited
	9 Hare & Billet Road
	Blackheath
	SE3 0RB

L.A.G. Education and Service Trust Limited

Trustees' Report

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in presenting their Report and the Financial Statements for the year ended 31 December 2024, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and 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)" (effective 1 January 2019).

Objectives and activities

LAG's charitable objectives:

To promote and advance education and knowledge of the law in the United Kingdom and secondly to relieve poor persons in the United Kingdom by promoting and assisting with the provision of legal services which would not otherwise be available to them through lack of means.

Vision and mission

Our vision is access to justice for all.

Our mission is:

- To strengthen the voice of people and communities denied access to justice
- To support frontline charities, lawyers and advisers to deliver access to justice
- To influence law and policy to improve access to justice and create a fair legal system for all

Our values are:

- Social justice
- Human rights
- Excellence in practice
- Partnership and collaboration
- Diversity and inclusion

Strategic plan 2022–25

For over fifty years, LAG has acted as a respected commentator on legal aid and access to justice issues. The LAG brand is well known within the social justice sector and stands for quality. LAG delivers expert, targeted publications and training to lawyers and advisers working with those most in need, and campaigns for change.

We commenced a new strategy in 2022, aiming to streamline delivery of our high quality resources, to refocus on our campaigning roots and to widen our reach into the access to justice community. This strategy will be refreshed in 2025.

L.A.G. Education and Service Trust Limited

Trustees' Report

Our strategic aims are to:

1. Be an authoritative and influential voice advocating for access to justice.

We plan to do this by:

- Raising the profile of our access to justice campaigning.
- Contributing well-informed input into policy processes and public debates.
- Building networks and partnerships to support our campaigning.

We plan to:

- Develop and implement a digital strategy to bring our website, publications and resources in line with industry standards.
- Develop and implement a new model of resources and a training strategy which targets both LAG's core audience and the wider access to justice community.
- Strengthen development and commissioning of publications and resources, including establishing an Editorial Board.
- Prepare and implement a marketing strategy, including product costing, to support financial sustainability.

3. Build a sustainable infrastructure to deliver our mission

We plan to:

- Improve LAG's internal organisation by updating LAG's outdated financial and operational systems and processes, building on the findings of a detailed operational review undertaken in October 2021.
- Build and develop the staff team to deliver the strategic plan, develop a fundraising plan and build effective governance and risk management strategies.

Public benefit

We have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities.

Our Objects, set out above, are carried out for the public benefit as follows:

- Our books, magazine, training and online resources are available to all and promoted widely within the access to justice community in the UK.
- Through our publications and training, we build the skills and knowledge of frontline lawyers, charities and advisers to deliver high-quality legal advice.
- Through our policy analysis, network building and campaigning, aim to influence law and policy to improve access to justice.

L.A.G. Education and Service Trust Limited

Trustees' Report

Achievements and performance

We are pursuing a programme of change to implement our strategic plan and are making good progress. We are seeking further resources to enable us to complete the stream of work.

Strategic aim 1: Be an authoritative and influential voice advocating for access to justice.

LAG continues to convene, resource and lead campaigns to strengthen the rights of low income and marginalised communities and to support the development of the access to justice sector.

We held a Scarcity of Justice Conference in partnership with Advice Services Alliance to reframe approaches to delivering access to justice and fairness.

We organised a Conference, *Making Right a Reality in Wales* highlighting access to justice issues in Wales. As well as a regular column in *Legal Action* on North Wales and the setting up of a new legal practice, North Wales Community Law.

We worked with lived experience groups, campaigning organisations and our network of activist lawyers to develop and deliver our conference programme. We delivered conferences on Education Law, Housing Law, Community Care Law, Migrant Support Law as well as Actions Against the Police, Police Station Updates and Rough Justice.

We worked with a diverse range of organisations including Safer Renting, Museum of Homelessness, Justice Gap, APPEAL, Renters Reform Coalition, Law Centres, Humans For Rights Network, Project 17, Migrants Organise, Fairness Foundation, Reasonable Access, Access Social Care, Age International, Law Commission, Global Black Maternal Health, IPSEA, Communities Empowerment Network, Gypsies and Travellers Movement Wales. Speakers at the Scarcity of Justice Conference included Professor Eldar Shafir, Sir Ernest Ryder, Professor Naomi Creutzfeldt, Lu Thomas.

Our CEO was invited to speak at Brighton University, Housing Law Practitioners Conference and the Sound Delivery Network. We were a member of the Stakeholder Group of the Law Society Reframing Justice Project and our CEO a member of the Advisory Board for the Law Society 20th Century Justice Project.

Strategic aim 2: Deliver high-quality, authoritative and up-to-date legal information.

A key element of our programme of change is to streamline delivery of our high-quality books, magazine, conferences and training. We have significantly improved delivery of our books, digitised our magazine and have laid the groundwork for improvements to our website.

LAG has 55 current book titles and sold 4,639 copies in 2024; a 14% increase compared to 2023. We published 10 issues of our magazine, *Legal Action*. We delivered 12 training sessions, events and conferences, reaching 840 people.

We continued delivery of our housing project funded by Trust for London. This project develops and delivers accessible training and resources to frontline advice agencies and the wider access to justice community on aspects of housing law. This is a new model of information delivery, ensuring wider dissemination of the valuable information contained in our books including *Discrimination in Housing* and *Domestic Abuse and Housing*.

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Trustees' Report

We consulted with housing providers on what training resources they need and to explore new models of information resources.

Strategic aim 3: Build a sustainable Infrastructure to deliver our mission.

As part of our modernisation programme, we have made changes to governance, internal systems and staffing. We have resolved the structural deficit, achieving a small surplus in 2024.

We have strict oversight of our finances through the Finance Sub-Committee, which meets at least 4 times per year.

We continued to work with our new book distributor, Hobbs, to streamline processes and have developed enhanced monitoring of our stock to reduce storage and wastage and improve the customer experience.

LAG is unable to meet its objectives solely from trading income. We will continue to seek funding to support our modernisation programme and projects targeting the wider access to justice community.

Plans for the future

LAG plans to develop a new strategic plan for the period 2026-2028. We will continue to streamline delivery of our high quality resources, build on our campaigning roots and widen our reach into the access to justice community.

Financial review

LAG had income of £505,749 (2023: £423,525) and expenditure of £440,083 (2023: £457,401). LAG incurred an unrestricted surplus of £65,213 (2023: deficit of £43,876) for the year and has a combined total surplus of £65,666 (2023 £33,876) in restricted and unrestricted balances at the year end. Income is primarily trading income from sale of books, magazine, training and conferences with a portion, £85,689, in grant income.

LAG continues to undergo a process of change. We have invested in new staffing to support publications and training which has resulted in an increase in trading income and a reduction in outgoings. Our magazine moved to a digital format in September 2024, thus eliminating print and distribution costs, as well more easily allowing improvement to the product quality and accessibility.

We increased revenue through grant funding from The Nuffield Foundation, Doughty Street Chambers, The National Prob Bono Centre and A & O Sherman to develop our online resources and scope out the potential to develop a digital hub. We received funding from the Law Society to support the publication of the Legal Aid Handbook. We are extremely grateful to all our funders.

As a result of the changes above, LAG saw a surplus for the 2024 year. This was anticipated, as some of the benefits of the cost-cutting measures implemented in late 2023 were realised this financial year.

Reserves policy

The Trustees aim to maintain free reserves in unrestricted funds at a level that equates to between three and six months of unrestricted charitable expenditure. The Trustees consider that this level is necessary to protect against fluctuations in trading income and against drops in grant income.

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Trustees' Report

The balance held as unrestricted funds as of 31 December 2024 was £93,437, of which £91,427 are regarded as free reserves, against an actual three month spend of £110,020.

The current level of reserves is therefore just below the minimum 3 month target and the Trustees anticipate that this will improve over 2025 as it executes its strategic plan.

Risk management

The Trustees continue to review of the key risks to which the charity is currently exposed. Mitigating actions will be implemented to protect the ongoing stability of the charity and allow the organisation to execute its long-term strategic plan.

Structure, governance and management

Governing document

L.A.G. Education and Service Trust Limited ("LAG") is a company limited by guarantee and a registered charity, incorporated on 8 February 1973, company number 01095065, and registered as a charity, number 265703, on 21 June 1973.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Rosalind Bragg (Chair)

Jon Robins (Vice Chair)

Adriano Moraes (Treasurer)

Olumide Adisa (until September 24)

Julian Allen

Katrina Crossley (until December 2024)

Amanda Groves

Charlotte Hughes

Lisa Linde

Alastair Logan

L.A.G. Education and Service Trust Limited

Trustees' Report

Appointment of trustees

Recruitment to the trustee board is by election and co-option. At the 2024 Annual General Meeting (AGM), two Trustees resigned and were re-elected. Five Trustees were co-opted prior to the meeting. The Memorandum and Articles of Association provided for 11 trustees to be elected and 7 to be co-opted. Trustee vacancies are publicly advertised.

Organisational structure and decision making

LAG is both a registered charity and company limited by guarantee. A board of eight trustees and directors is responsible for the governance and strategic management of the organisation. Board members are elected at an AGM of all members and meet every two months throughout the year.

A staff team of five is managed by LAG's chief executive officer.

All Trustees, who are also directors, give their time freely and none of them received remuneration in the year.

The pay of the Chief Executive Officer ("CEO") is reviewed annually, along with staff salaries.

Statement of trustees' responsibilities

The trustees (who are also the directors of L.A.G. Education and Service Trust Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

L.A.G. Education and Service Trust Limited

Trustees' Report

The annual report was approved by the trustees of the charity on 30 June 2025 and signed on its behalf by:



Adriano Moraes
Trustee

L.A.G. Education and Service Trust Limited

Independent Examiner's Report to the trustees of L.A.G. Education and Service Trust Limited (‘the Company’)

I report to the charity trustees (who are also Directors for the purpose of company law) on my examination of the accounts of the L.A.G. Education and Service Trust Limited (‘the charitable company’) for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity’s trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity’s trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity’s trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity’s trustees of L.A.G. Education and Service Trust Limited you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (‘the 2006 Act’).

Having satisfied myself that the accounts of L.A.G. Education and Service Trust Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity’s accounts as carried out under section 145 of the Charities Act 2011 (‘the 2011 Act’). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a ‘true and fair’ view and my report is limited to those specific matters set out in the independent examiner’s statement.

Independent examiner’s statement

Since L.A.G. Education and Service Trust Limited’s gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of L.A.G. Education and Service Trust Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a ‘true and fair view’ which is not a matter considered as part of an independent examination; or

L.A.G. Education and Service Trust Limited

**Independent Examiner's Report to the trustees of L.A.G. Education and Service Trust Limited
('the Company')**

4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tim Sullivan FCA
ICAEW

9 Hare & Billet Road
Blackheath
SE3 ORB

15/8/2025

L.A.G. Education and Service Trust Limited

Statement of Financial Activities for the Year Ended 31 December 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Income and Endowments from:							
Donations and legacies	3	23,056	75,689	98,745	34,144	32,500	66,644
Charitable activities	4	407,003	-	407,003	356,880	-	356,880
Investment income	5	1	-	1	1	-	1
Total income		430,060	75,689	505,749	391,025	32,500	423,525
Expenditure on:							
Charitable activities	6	(364,847)	(75,236)	(440,083)	(434,901)	(22,500)	(457,401)
Total expenditure		(364,847)	(75,236)	(440,083)	(434,901)	(22,500)	(457,401)
Net movement in funds		65,213	453	65,666	(43,876)	10,000	(33,876)
Reconciliation of funds							
Total funds brought forward		28,224	10,000	38,224	72,100	-	72,100
Total funds carried forward	18	93,437	10,453	103,890	28,224	10,000	38,224

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 18.

The notes on pages 15 to 26 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

(Registration number: 01095065)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	2,010	2,770
Current assets			
Stocks	13	56,903	47,478
Debtors	14	42,389	33,881
Cash at bank and in hand		<u>120,718</u>	<u>106,297</u>
		220,010	187,656
Creditors: Amounts falling due within one year	15	<u>(90,180)</u>	<u>(119,068)</u>
Net current assets		<u>129,830</u>	<u>68,588</u>
Total assets less current liabilities		131,840	71,358
Creditors: Amounts falling due after more than one year	16	(22,190)	(27,374)
Provisions	17	<u>(5,760)</u>	<u>(5,760)</u>
Net assets		<u>103,890</u>	<u>38,224</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		10,453	10,000
Unrestricted income funds			
Unrestricted funds		<u>93,437</u>	<u>28,224</u>
Total funds	18	<u>103,890</u>	<u>38,224</u>

For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 15 to 26 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

(Registration number: 01095065)

Balance Sheet as at 31 December 2024

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on 30 June 2025 and signed on their behalf by:



Adriano Moraes
Trustee

The notes on pages 15 to 26 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		65,669	(33,876)
Adjustments to cash flows from non-cash items			
Depreciation		1,586	2,863
Investment income		(1)	(1)
		<u>67,254</u>	<u>(31,014)</u>
Working capital adjustments			
(Increase)/decrease in stocks	13	(9,425)	24,518
(Increase)/decrease in debtors	14	(8,508)	35,066
(Decrease)/increase in creditors	15	(7,495)	15,506
Increase in provisions	17	-	5,760
(Decrease)/increase in deferred income	16	(21,897)	6,309
Net cash flows from operating activities		<u>19,929</u>	<u>56,145</u>
Cash flows from investing activities			
Interest received		(1)	(1)
Acquisitions of tangible assets		(827)	(1,841)
Net cash flows from investing activities		(828)	(1,842)
Cash flows from financing activities			
Repayment of bank borrowings		(4,680)	3,267
Net increase in cash and cash equivalents		14,421	57,570
Cash and cash equivalents at 1 January		<u>106,297</u>	<u>48,727</u>
Cash and cash equivalents at 31 December		<u>120,718</u>	<u>106,297</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 26 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

2nd Floor
Gatehouse Chambers
1 Lady Hale Gate
WC1X 8BS

These financial statements were authorised for issue by the trustees on 30 June 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

L.A.G. Education and Service Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

In line with LAG's medium-long term strategy, book sales increased by 10% compared to 2023 from £213.8k to £236.1k, and training & events income increased significantly from £9k in 2023 to £49k in 2024. This reflects success in LAG's strategy to streamline and reduce costs, whilst increasing income over time.

Magazine sales dropped slightly as expected with the shift to digital, which whilst saving costs, some loss of subscribers was inevitable due to changing the medium for accessing the magazine. LAG is implementing a marketing strategy in order to increase subscriber numbers over the coming year.

Expenditure dropped further, and is expected to increase again in 2025 as we continue to action LAG's medium-long term strategy with additional resources.

Grant funding increased as the organisation now has a clear view of LAG's strategy over coming years and is in a stable position to target and carry out specific projects.

Income and endowments

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

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

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met it is probable that the income will be received and the amount can be measured reliably and is not deferred. These grants tend to be for specific purposes, for example, the writing of a report, and are therefore treated as restricted funds.

Income received for future courses and Legal Action Magazine and CCVLR subscriptions received in advance are deferred until the charity is entitled to these amounts. The amount are realised to the statement of financial activities in the period to which it relates.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £200 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	33.33% straightline

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Sponsorship	3,200	-	3,200	3,300
Memberships	3,103	-	3,103	5,880
Appeals and donations	6,753	-	6,753	24,964
Grants	10,000	75,689	85,689	32,500
	<u>23,056</u>	<u>75,689</u>	<u>98,745</u>	<u>66,644</u>

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

4 Income from charitable activities

	Unrestricted funds General	Total 2024	Total 2023
	£	£	£
Legal action magazine	121,703	121,703	134,042
Book sales	236,142	236,142	213,837
Courses income	49,158	49,158	9,001
	<u>407,003</u>	<u>407,003</u>	<u>356,880</u>

5 Investment Income

	Unrestricted funds General	Total 2024	Total 2023
	£	£	£
Interest receivable on bank deposits	<u>1</u>	<u>1</u>	<u>1</u>

6 Expenditure on charitable activities

	Note	Unrestricted funds General	Restricted funds	Total 2024	Total 2023
		£	£	£	£
Other direct costs		193,497	-	193,497	155,469
Pro Bono work & Royalty Donation		4,183	-	4,183	13,600
Depreciation of fixtures and fittings		1,586	-	1,586	2,863
Website maintenance and development		14,284	-	14,284	17,979
Staff costs	11	20,083	75,236	95,319	120,735
Support costs	7	<u>131,214</u>	<u>-</u>	<u>131,214</u>	<u>146,755</u>
		<u>364,847</u>	<u>75,236</u>	<u>440,083</u>	<u>457,401</u>

In addition to the expenditure analysed above, there are also governance costs of £131,214 (2023 - £146,755) which relate directly to charitable activities. See note 7 for further details.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

7 Analysis of governance and support costs

Support costs

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Wages and salaries	103,806	103,806	101,033
Telephone	147	147	328
Sundries	5,780	5,780	9,495
Office expenses	8,294	8,294	21,259
Computer software and maintenance	5,139	5,139	4,982
Printing, postage and stationery	214	214	471
Cost of trustee meetings	300	300	-
Independent examination	2,970	2,970	2,200
Legal and professional	34	34	13
Bad debts written off	-	-	2,799
Bank charges	2,790	2,790	2,413
Membership	1,740	1,740	1,762
	<u>131,214</u>	<u>131,214</u>	<u>146,755</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Related party transactions

There were no related party transactions in the year.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	154,418	189,919
Social security costs	10,223	12,848
Pension costs	9,265	10,951
Compensation payments	23,593	6,757
Other staff costs	1,626	1,293
	<u>199,125</u>	<u>221,768</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Administration	2	4
Editorial	1	2
Training & events	1	1
	<u>4</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2024	11,052	11,052
Additions	<u>826</u>	<u>826</u>
At 31 December 2024	<u>11,878</u>	<u>11,878</u>
Depreciation		
At 1 January 2024	8,282	8,282
Charge for the year	<u>1,586</u>	<u>1,586</u>
At 31 December 2024	<u>9,868</u>	<u>9,868</u>
Net book value		
At 31 December 2024	<u>2,010</u>	<u>2,010</u>
At 31 December 2023	<u>2,770</u>	<u>2,770</u>

13 Stock

	2024 £	2023 £
Stocks	<u>56,903</u>	<u>47,478</u>

14 Debtors

	2024 £	2023 £
Trade debtors	32,324	22,488
Prepayments	8,215	9,484
Accrued income	1,850	690
Other debtors	<u>-</u>	<u>1,219</u>
	<u>42,389</u>	<u>33,881</u>

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	4,799	4,295
Trade creditors	35,990	39,819
VAT	1,372	1,087
Pension	1,151	1,391
Accruals	13,100	16,811
Deferred income	33,768	55,665
	<u>90,180</u>	<u>119,068</u>

16 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	<u>22,190</u>	<u>27,374</u>
Bank loan		
Payable within one year	4,799	4,295
Payable after one year	<u>22,190</u>	<u>27,374</u>
	<u>26,989</u>	<u>31,669</u>

17 Provisions

	Pension contributions provision £	Total £
At 1 January 2024	<u>(5,760)</u>	<u>(5,760)</u>

Potential repayment to HMRC for over-claimed tax relief on pensions. Ongoing investigating is underway where LAG will work alongside HMRC in identifying if there is an over-claim and how to repay this.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

18 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
Unrestricted funds				
General funds	28,224	430,060	(364,847)	93,437
Restricted funds				
The Law Society	10,000	10,000	(9,547)	10,453
Nuffield Foundation	-	15,690	(15,690)	-
Trust for London	-	44,999	(44,999)	-
National Pro Bono Centre	-	5,000	(5,000)	-
	<u>10,000</u>	<u>75,689</u>	<u>(75,236)</u>	<u>10,453</u>
Total funds	<u>38,224</u>	<u>505,749</u>	<u>(440,083)</u>	<u>103,890</u>
	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General	<u>72,100</u>	<u>391,025</u>	<u>(434,901)</u>	<u>28,224</u>
Restricted funds				
The Law Society	-	10,000	-	10,000
Trust for London	<u>-</u>	<u>22,500</u>	<u>(22,500)</u>	<u>-</u>
	<u>-</u>	<u>32,500</u>	<u>(22,500)</u>	<u>10,000</u>
Total funds	<u>72,100</u>	<u>423,525</u>	<u>(457,401)</u>	<u>38,224</u>

The specific purposes for which the funds are to be applied are as follows:

Trust for London Grant – to support the cost of the development of a comprehensive model of housing training and resources which reach wider audiences.

Law Society Grant – to support costs of publishing the Legal Aid Handbook (2024/25).

Nuffield Foundation – Grant for developing a digital legal knowledge hub for social welfare law.

National Pro Bono Centre – Grant to support the transition and transformation of the Magazine.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2024

19 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	2,010	-	2,010
Current assets	209,557	10,453	220,010
Current liabilities	(90,180)	-	(90,180)
Creditors over 1 year	(22,190)	-	(22,190)
Provisions	(5,760)	-	(5,760)
Total net assets	<u>93,437</u>	<u>10,453</u>	<u>103,890</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Tangible fixed assets	2,770	-	2,770
Current assets	177,656	10,000	187,656
Current liabilities	(119,068)	-	(119,068)
Creditors over 1 year	(27,374)	-	(27,374)
Provisions	(5,760)	-	(5,760)
Total net assets	<u>28,224</u>	<u>10,000</u>	<u>38,224</u>

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales - Charity number 265703

Accounts

Company registration number: 01095065

Charity registration number: 265703

L.A.G. Education and Service Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

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L.A.G. Education and Service Trust Limited

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L.A.G. Education and Service Trust Limited

Reference and Administrative Details

Trustees

Olumide Adisa

Julian Allen

Rosalind Bragg

Katrina Crossley

Amanda Groves

Charlotte Hughes

Lisa Linde

Alastair Logan

Adriano Moraes

Jonathan Robins

Charity Registration Number

265703

Company Registration Number

01095065

The charity is incorporated in England and Wales.

Registered Office

2nd Floor
Gatehouse Chambers
1 Lady Hale Gate
WC1X 8BS

Independent Examiner

Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

L.A.G. Education and Service Trust Limited

Trustees' Report

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in presenting their Report and the Financial Statements for the year ended 31 December 2023, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and 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)" (effective 1 January 2019).

Objectives and activities

LAG's charitable objectives:

To promote and advance education and knowledge of the law in the United Kingdom and secondly to relieve poor persons in the United Kingdom by promoting and assisting with the provision of legal services which would not otherwise be available to them through lack of means.

Vision and mission

In accordance with these objectives, the agreed vision, mission and values for the organisation are as follows:

Our vision is access to justice for all.

Our mission is:

- To strengthen the voice of people and communities denied access to justice
- To support frontline charities, lawyers and advisers to deliver access to justice
- To influence law and policy to improve access to justice and create a fair legal system for all

Our values are:

- Social justice
- Human rights
- Excellence in practice
- Partnership and collaboration
- Diversity and inclusion

Strategic plan 2022–25

LAG is a respected commentator on legal aid and access to justice issues. The LAG brand is well known within the social justice sector and stands for quality. In recent years, LAG has been best known for its high quality books, magazine and training.

In 2022, we developed a new strategy to refocus on our campaigning roots and widen our reach into the access to justice community, while continuing to deliver our high-quality legal information and resources.

Our strategic aims are to:

1. Be an authoritative and influential voice advocating for access to justice.

L.A.G. Education and Service Trust Limited

Trustees' Report

We plan to do this by:

- Raising the profile of our access to justice campaigning.
- Contributing well-informed input into policy processes and public debates.
- Building networks and partnerships to support our campaigning.

2. Deliver high-quality, authoritative and up-to-date legal information.

We plan to:

- Develop and implement a digital strategy to bring our website, publications and resources in line with industry standards.
- Develop and implement a new model of resources and a training strategy which targets both LAG's core audience and the wider access to justice community.
- Strengthen development and commissioning of publications and resources, including establishing an Editorial Board.
- Prepare and implement a marketing strategy, including product costing, to support financial sustainability.

3. Build a sustainable infrastructure to deliver our mission

We plan to:

- Improve LAG's internal organisation by updating LAG's outdated financial and operational systems and processes, building on the findings of a detailed operational review undertaken in October 2021.
- Build and develop the staff team to deliver the strategic plan, develop a fundraising plan and build effective governance and risk management strategies.

Public benefit

We have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities.

Our Objects, set out above, are carried out for the public benefit as follows:

- Our books, magazine, training and online resources are available to all and promoted widely within the access to justice community in the UK.
- Through our publications and training, we build the skills and knowledge of frontline lawyers, charities and advisers to deliver high-quality legal advice.
- Through our policy analysis, network building and campaigning, aim to influence law and policy to improve access to justice.

Achievements and performance

We are pursuing a programme of change to implement our strategic plan. Work is progressing under the three strategic aims.

L.A.G. Education and Service Trust Limited

Trustees' Report

Strategic aim 1: Be an authoritative and influential voice advocating for access to justice.

We held an event in parliament on the 10-year anniversary of LASPO, amplifying voices calling for new approaches to deliver access to justice. We published a paper proposing a National Legal Service that has generated discussion about legal aid reform. We commenced a bimonthly series of articles in *Legal Action* magazine highlighting access to justice issues in regional locations.

We worked with lived experience groups, campaigning organisations and our network of activist lawyers to develop and deliver our conference programme. We delivered conferences on Education Law, Housing Law, Rough Justice and Actions against the Police.

We worked with a diverse range of organisations including Safer Renting, Museum of Homelessness, Communities Empowerment Network, APPEAL, Black Protest Legal Support, Public Interest Law Centre, Coram Children's Legal Centre, Greater Manchester Tenants Union, SL Therapy London, SOSISEN and Bench Outreach. Speakers at our Rough Justice conference included Moazzam Begg, author and ex-Guantanamo Bay detainee, and Ben Smoke, journalist and one of the Stansted 15.

Our CEO was invited to speak at the International Legal Aid Conference in Boston, US. We were a member of the Stakeholder Group of the Law Society 20th Century Justice Project. We spoke about access to justice at conferences and network meetings, including The Justice Gap in Manchester and Junior Housing Law Practitioners Association (HLP). We were invited to give oral evidence to the Home Affairs Committee on access to justice and to the Public Bill Committee on the Renters (Reform) Bill.

Strategic aim 2: Deliver high-quality, authoritative and up-to-date legal information.

LAG has 55 current book titles and sold 4,057 copies in 2023. We published 10 issues of our magazine, *Legal Action*. We delivered 11 training sessions, events and conferences, reaching 1,272 people.

We commenced delivery of our housing project, funded by Trust for London. This project will develop and deliver accessible training and resources to frontline advice agencies and the wider access to justice community on aspects of housing law. This is a new model of information delivery, ensuring wider dissemination of the valuable information contained in our books.

We consulted with magazine subscribers and the wider legal advice sector to explore new models of information resources. We developed a new website, which improved navigation to existing information and will support delivery of a wider range of digital resources. We streamlined book printing and purchasing, reducing costs and improving customer service. We received support from Cranfield Trust to improve marketing and financial sustainability.

Strategic aim 3: Build a sustainable infrastructure to deliver our mission.

We continued to pursue a programme of modernisation, which will enable the organisation to meet its strategic objectives, making changes to governance, internal systems and staffing. We established the Finance Sub-Committee to provide greater oversight of our finances. We completed updating our financial systems and commenced a review of HR systems.

We changed our book distributor after 12 years to streamline processes, provide a print-on-demand service (which will save costs on warehouse storage) and also improve the customer experience.

LAG will continue to seek funding to support the modernisation programme and projects targeting the wider access to justice community.

L.A.G. Education and Service Trust Limited

Trustees' Report

Plans for the future

LAG plans to implement the new strategic plan: developing our campaigning role, widening our reach into the access to justice community, continuing to work with partners and develop new partnerships and continuing to deliver high-quality legal information and resources.

Financial review

LAG had income of £423,525 (2022: £489,063) and expenditure of £457,401 (2022: £529,445). LAG incurred an unrestricted deficit of £43,876 (2022: deficit of £36,732) for the year and has a combined total surplus of £33,876 (2022: £72,100) in restricted and unrestricted balances at the year end. Income is primarily trading income from sale of books, magazine, training and conferences with a small amount, £32,500, in grant income.

LAG is undergoing a process of change. In 2023, we completed work to fully update our financial systems. We have written down the value of stock to reflect inventory and written off bad debts. We substantially reduced expenditure by restructuring staffing and changing book distributors. We have invested in new staffing to support publications and training and are projecting an increase in trading income. Our magazine will move to a digital format in September 2024, thus eliminating print and distribution costs, as well more easily allowing improvement to the product quality and accessibility. We also plan to increase revenue from trusts and foundations to support implementation of the new strategic plan.

As a result of the changes above, LAG saw a deficit for the 2023 year. This was expected as some of the cost-cutting measures were implemented in late 2023 and the full benefits will be realised in the following financial year. We anticipate returning to surplus in 2024.

Reserves policy

The trustees aim to maintain free reserves in unrestricted funds at a level that equates to between three and six months of unrestricted charitable expenditure. The trustees consider that this level is necessary to protect against fluctuations in trading income and against drops in grant income.

The balance held as funds as of 31 December 2023 was £38,224, of which £28,224 are regarded as free reserves, against an actual three month spend of £121,259.

The current level of reserves is therefore below target and the trustees anticipate that this will remain the case in the near to medium term while the organisation undergoes a period of transformation as it executes its strategic plan.

Risk management

The trustees are in the process of conducting a review of the key risks to which the charity is currently exposed. Mitigating actions will be implemented to protect the ongoing stability of the charity and allow the organisation to execute its long-term strategic plan.

Structure, governance and management

Governing document

L.A.G. Education and Service Trust Limited ("LAG") is a company limited by guarantee and a registered charity, incorporated on 8 February 1973, company number 01095065, and registered as a charity, number 265703, on 21 June 1973.

L.A.G. Education and Service Trust Limited

Trustees' Report

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Olumide Adisa (appointed 24 March 2023)
	Julian Allen
	Rosalind Bragg
	Katrina Crossley (appointed 5 September 2023)
	Amanda Groves (appointed 24 March 2023)
	Charlotte Hughes
	Lisa Linde
	Alastair Logan (appointed 11 April 2023)
	Adriano Moraes (appointed 30 March 2023)
	Oliver Rivers (resigned 27 June 2023)
	Jonathan Robins
	Heather Thomas (resigned 2 January 2023)

Appointment of trustees

Recruitment to the trustee board is by election and co-option. At the 2021 Annual General Meeting (AGM), the trustees on the board who had served for two years resigned and elections were held for new trustees. The Memorandum and Articles of association provided for 11 trustees to be elected and 7 to be co-opted.

Organisational structure and decision making

LAG is both a registered charity and company limited by guarantee. A board of ten trustees and directors is responsible for the governance and strategic management of the organisation. Board members are elected at an AGM of all members and meet every three months throughout the year.

A staff team of five is managed by LAG's chief executive officer.

All trustees, who are also directors, give their time freely and none of them received remuneration in the year.

The pay of the Chief Executive Officer ("CEO") is reviewed annually, along with staff salaries.

Statement of trustees' responsibilities

The trustees (who are also the directors of L.A.G. Education and Service Trust Limited for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

L.A.G. Education and Service Trust Limited

Trustees' Report

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The annual report was approved by the trustees of the charity on 31 July 2024 and signed on its behalf by:



Adriano Moraes
Trustee

L.A.G. Education and Service Trust Limited

Independent Examiner's Report to the trustees of L.A.G. Education and Service Trust Limited ('the Company')

I report to the charity trustees (who are also Directors for the purpose of company law) on my examination of the accounts of the L.A.G. Education and Service Trust Limited ('the charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of L.A.G. Education and Service Trust Limited you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of L.A.G. Education and Service Trust Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since L.A.G. Education and Service Trust Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

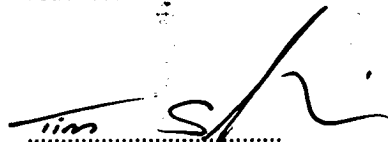
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

L.A.G. Education and Service Trust Limited

**Independent Examiner's Report to the trustees of L.A.G. Education and Service Trust
Limited ('the Company')**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tim Sullivan FCA
ICAEW

9 Hare & Billet Road
Blackheath
SE3 0RB

14/8/2024

L.A.G. Education and Service Trust Limited

Statement of Financial Activities for the Year Ended 31 December 2023
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Income and Endowments from:							
Donations and legacies	3	34,144	32,500	66,644	13,871	8,760	22,631
Charitable activities	4	356,880	-	356,880	466,423	-	466,423
Investment income	5	1	-	1	9	-	9
Total income		391,025	32,500	423,525	480,303	8,760	489,063
Expenditure on:							
Charitable activities	6	(434,901)	(22,500)	(457,401)	(517,035)	(12,410)	(529,445)
Total expenditure		(434,901)	(22,500)	(457,401)	(517,035)	(12,410)	(529,445)
Net movement in funds		(43,876)	10,000	(33,876)	(36,732)	(3,650)	(40,382)
Reconciliation of funds							
Total funds brought forward		72,100	-	72,100	108,832	3,650	112,482
Total funds carried forward	18	28,224	10,000	38,224	72,100	-	72,100

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 18.

The notes on pages 13 to 23 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

(Registration number: 01095065)
Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	2,770	3,792
Current assets			
Stocks	13	47,478	71,995
Debtors	14	33,881	68,948
Cash at bank and in hand		106,297	48,727
		187,656	189,670
Creditors: Amounts falling due within one year	15	(119,068)	(97,251)
Net current assets		68,588	92,419
Total assets less current liabilities		71,358	96,211
Creditors: Amounts falling due after more than one year	16	(27,374)	(24,111)
Provisions	17	(5,760)	-
Net assets		38,224	72,100
Funds of the charity:			
Restricted income funds			
Restricted funds		10,000	-
Unrestricted income funds			
Unrestricted funds		28,224	72,100
Total funds	18	38,224	72,100

For the financial year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

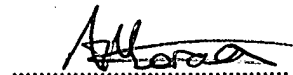
The notes on pages 13 to 23 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

(Registration number: 01095065)

Balance Sheet as at 31 December 2023

The financial statements on pages 10 to 23 were approved by the trustees, and authorised for issue on 31 July 2024 and signed on their behalf by:



Adriano Moraes
Trustee

The notes on pages 13 to 23 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

2nd Floor

Gatehouse Chambers

1 Lady Hale Gate

WC1X 8BS

These financial statements were authorised for issue by the trustees on 31 July 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

L.A.G. Education and Service Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

For income, there was a drop in book sales and training income compared to 2022 due to a review of these posts, in line with LAG's medium-long term strategy, and changeover in staff. There is a clear vision for these departments and income is expected to increase from 2024 onwards.

For expenditure, this dropped in 2023 in line with LAG's strategy to streamline and reduce costs where possible. Many measures were implemented in 2023, with ongoing cost reduction occurring in 2024.

Once the key restructuring and cost-reduction measures have been implemented in the organisation, LAG expects to see an increase in unrestricted funds across books, training & magazine as these offerings are improved. It is also expected that grant funding will increase as the organisation now has a clear view of LAG's strategy over coming years and will be in a stable position to target and carry out specific projects.

Income and endowments

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

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

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met it is probable that the income will be received and the amount can be measured reliably and is not deferred. These grants tend to be for specific purposes, for example, the writing of a report, and are therefore treated as restricted funds.

Income received for future courses and Legal Action Magazine and CCVLR subscriptions received in advance are deferred until the charity is entitled to these amounts. The amount are realised to the statement of financial activities in the period to which it relates.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £200 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	33.33% straightline

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Sponsorship	3,300	-	3,300	4,850
Memberships	5,880	-	5,880	7,069
Appeals and donations	24,964	-	24,964	1,952
Grants	-	32,500	32,500	8,760
	<u>34,144</u>	<u>32,500</u>	<u>66,644</u>	<u>22,631</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Legal action magazine	134,042	134,042	133,824
Book sales	213,837	213,837	305,227
Courses income	9,001	9,001	27,372
	<u>356,880</u>	<u>356,880</u>	<u>466,423</u>

5 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable on bank deposits	<u>1</u>	<u>1</u>	<u>9</u>

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Other direct costs		155,469	-	155,469	235,621
Pro Bono work & Royalty Donation		13,600	-	13,600	-
Depreciation of fixtures and fittings		2,863	-	2,863	2,873
Website maintenance and development		17,979	-	17,979	13,999
Staff costs	10	98,235	22,500	120,735	142,876
Support costs	7	146,755	-	146,755	134,076
		<u>434,901</u>	<u>22,500</u>	<u>457,401</u>	<u>529,445</u>

In addition to the expenditure analysed above, there are also governance costs of £146,755 (2022 - £134,076) which relate directly to charitable activities. See note 7 for further details.

7 Analysis of governance and support costs

Support costs

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Wages and salaries	101,033	101,033	85,265
Telephone	328	328	325
Sundries	9,495	9,495	5,620
Office expenses	21,259	21,259	20,680
Computer software and maintenance	4,982	4,982	4,751
Printing, postage and stationery	471	471	577
Audit of 2021 accounts	-	-	4,900
Independent examination	2,200	2,200	2,250
Legal and professional	13	13	2,054
Bad debts written off	2,799	2,799	2,403
Bank charges	2,413	2,413	3,336
Membership	1,762	1,762	1,915
	<u>146,755</u>	<u>146,755</u>	<u>134,076</u>

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	189,919	200,005
Social security costs	12,848	14,389
Pension costs	10,951	12,672
Compensation payments	6,757	
Other staff costs	1,293	1,075
	<u>221,768</u>	<u>228,141</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Administration	4	4
Publishing	-	1
Editorial	2	2
Training & events	1	1
	<u>7</u>	<u>7</u>

No employee received emoluments of more than £60,000 during the year.

11 Related party transactions

There were no related party transactions in the year.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

12 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2023	9,211	9,211
Additions	1,841	1,841
At 31 December 2023	11,052	11,052
Depreciation		
At 1 January 2023	5,419	5,419
Charge for the year	2,863	2,863
At 31 December 2023	8,282	8,282
Net book value		
At 31 December 2023	2,770	2,770
At 31 December 2022	3,792	3,792

13 Stock

	2023 £	2022 £
Stocks	47,478	71,995

14 Debtors

	2023 £	2022 £
Trade debtors	22,488	49,780
Prepayments	9,484	12,454
Accrued income	690	-
Other debtors	1,219	6,714
	33,881	68,948

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	4,295	10,724
Trade creditors	39,819	27,755
VAT	1,087	-
Pension	1,391	-
Accruals	16,811	9,415
Deferred income	55,665	49,357
	<u>119,068</u>	<u>97,251</u>

16 Creditors: amounts falling due after one year

	2023	2022
	£	£
Bank loans	<u>27,374</u>	<u>24,111</u>
Bank loan		
Payable within one year	4,295	10,724
Payable after one year	<u>27,374</u>	<u>24,111</u>
	<u>31,669</u>	<u>34,835</u>

17 Provisions

	Pension contributions provision	Total
	£	£
Credited to the statement of recognised gains and losses	<u>5,760</u>	<u>5,760</u>

Potential repayment to HMRC for over-claimed tax relief on pensions. Ongoing investigating is underway where LAG will work alongside HMRC in identifying if there is an over-claim and how to repay this.

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

18 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General funds	72,100	391,025	(434,901)	28,224
Restricted funds				
The Law Society	-	10,000	-	10,000
Trust for London	-	22,500	(22,500)	-
	-	32,500	(22,500)	10,000
Total funds	<u>72,100</u>	<u>423,525</u>	<u>(457,401)</u>	<u>38,224</u>
	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General	108,832	480,303	(517,035)	72,100
Restricted funds				
LEF Red Pencil Grant	1,090	-	(1,090)	-
Access to Justice Fund - MyPay	1,966	-	(1,966)	-
Leicester Law Society	594	-	(594)	-
Therium Grant	-	8,760	(8,760)	-
	3,650	8,760	(12,410)	-
Total funds	<u>112,482</u>	<u>489,063</u>	<u>(529,445)</u>	<u>72,100</u>

L.A.G. Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2023

The specific purposes for which the funds are to be applied are as follows:

The LEF Red Pencil Grant - Fund marketing for the sale of the Brenda Hale book.

The Access to Justice Fund - Used to consolidate the MyPay project which is an interactive Employment Law online tool to help the public access advice regarding employment problems.

Leicester Law Society – this is funding to cover the costs of distribution of Equal to Everything (Brenda Hale book) to schools to Leicester in 2021.

Therium Access Limited – A grant used for the Duty Possession : A practical Guide for the book and training.

Trust for London Grant – to support the cost of the development of a comprehensive model of housing training and resources which reach wider audiences.

Law Society Grant – to support costs of publishing the Legal Aid Handbook (2024/25).

19 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2023 £
Tangible fixed assets	2,770	-	2,770
Current assets	177,656	10,000	187,656
Current liabilities	(119,068)	-	(119,068)
Creditors over 1 year	(27,374)	-	(27,374)
Provisions	(5,760)	-	(5,760)
Total net assets	<u>28,224</u>	<u>10,000</u>	<u>38,224</u>
		Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets		3,792	3,792
Current assets		189,670	189,670
Current liabilities		(97,251)	(97,251)
Creditors over 1 year		(24,111)	(24,111)
Total net assets		<u>72,100</u>	<u>72,100</u>

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales - Charity number 265703

Accounts

Company registration number: 01095065

Charity registration number: 265703

L.A.G Education and Service Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

L.A.G Education and Service Trust Limited

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L.A.G Education and Service Trust Limited

Reference and Administrative Details

Trustees	Olumide Adisa
	Julian Allen
	Rosalind Bragg
	Amanda Groves
	Charlotte Hughes
	Lisa Linde
	Alastair Logan
	Adriano Moraes
	Jonathan Robins
Charity Registration Number	265703
Company Registration Number	01095065
Registered Office	The charity is incorporated in England and Wales.
	2nd Floor
	Gatehouse Chambers
	1 Lady Hale Gate
	WC1X 8BS
Independent Examiner	Field Sullivan Limited
	9 Hare & Billet Road
	Blackheath
	SE3 ORB

L.A.G Education and Service Trust Limited

Trustees' Report

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in presenting their Report and the Financial Statements for the year ended 31 December 2022, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and 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)" (effective 1 January 2019).

Objectives and activities

LAG's charitable objectives:

To promote and advance education and knowledge of the law in the United Kingdom and secondly to relieve poor persons in the United Kingdom by promoting and assisting with the provision of legal services which would not otherwise be available to them through lack of means.

Vision and mission

In accordance with these objectives, the agreed vision, mission and values for the organisation are as follows:

Our vision is access to justice for all.

Our mission is:

- To strengthen the voice of people and communities denied access to justice
- To support frontline charities, lawyers and advisers to deliver access to justice
- To influence law and policy to improve access to justice and create a fair legal system for all

Our values are:

- social justice
- human rights
- excellence in practice
- partnership and collaboration
- diversity and inclusion

Strategic plan 2022-25

LAG is a respected commentator on legal aid and access to justice issues. The LAG brand is well known within the social justice sector and stands for quality. In recent years, LAG has been best known for its high quality books, magazine and training.

In LAG's 50th year, we have developed a new strategy which will refocus on our campaigning roots and widen our reach into the access to justice community, while continuing to deliver our high quality legal information and resources.

L.A.G Education and Service Trust Limited

Trustees' Report

Our strategic aims are to:

1. Be an authoritative and influential voice advocating for access to justice.

We plan to do this by:

- Raising the profile of our access to justice campaigning.
- Contributing well-informed input into policy processes and public debates, and
- Building networks and partnerships to support our campaigning.

2. Deliver high quality, authoritative and up to date legal information.

We plan to:

- Develop and implement a digital strategy to bring our website, publications and resources in line with industry standards.
- Develop and implement a new model of resources and a training strategy which targets both LAG's core audience and the wider access to justice community.
- Strengthen development and commissioning of publications and resources, including establishing an Editorial Board.
- Prepare and implement a marketing strategy, including product costing, to support financial sustainability.

3. Build a sustainable infrastructure to deliver our mission

We plan to:

- Improve LAG's internal organisation by updating LAG's outdated financial and operational systems and processes, building on the findings of a detailed operational review undertaken in October 2021.
- build and develop the staff team to deliver the strategic plan, develop a fundraising plan and build effective governance and risk management strategies.

Public benefit

We have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning our future activities.

Our Objects, set out above, are carried out for the public benefit as follows:

- Our books, magazine, training and online resources are available to all and promoted widely within the access to justice community in the UK.
- Through our publications and training, we build the skills and knowledge of frontline lawyers, charities and advisers to delivery high quality legal advice.
- Through our policy analysis, network building and campaigning, aim to influence law and policy to improve access to justice.

L.A.G Education and Service Trust Limited

Trustees' Report

Achievements and performance

LAG worked with the organisation Impact: Law for Social Justice on the development of a new three-year strategic plan to widen LAG's reach into the wider access to justice community and raise its profile as an access to justice charity. LAG also continued to implement the recommendations from the detailed operational review, carried out by an independent consultant in October 2021, to improve the financial and operating systems to support LAG's new strategy.

Work progressing under the three strategic aims:

Strategic aim 1: Be an authoritative and influential voice advocating for access to justice.

LAG contributed to a number of public debates on access to justice: we spoke at the Mind the Gap: Justice in the North West, a collaboration with Manchester Law Society, Manchester Law Centre and Thompson Solicitors, Manchester; we spoke at an event on Health-Justice Partnerships and Holistic Defence with Commons Legal and at the Association of Socio-Legal Studies Conference: Re-Imagining the Socio Legal Law School; and we spoke on Community Lawyering at Warwick University. We have started to build networks with legal, professional and academic organisations, as well as influencing and contributing to the debate on access to justice.

LAG combined book launches with events: Discrimination in Public Law and The Legal Aid Handbook to inform debate and policy in these areas.

LAG used its 50th anniversary year to highlight the crisis in the legal aid sector and the need for change by hosting an event with high profile speakers and reporting on key legal areas in the monthly magazine.

Strategic aim 2: Deliver high quality, authoritative and up to date legal information.

LAG has created an Editorial Board to oversee content development and commissioning decisions.

LAG has commenced work to further develop the digital strategy and improvements to the website to support LAG's on-line publications.

Strategic aim 3: Build a sustainable infrastructure to deliver our mission.

LAG has undertaken a detailed review of its financial systems and implemented improved new financial systems and reporting.

LAG has commenced a review of HR systems and updating its policies and procedures.

A governance skills analysis has been undertaken, and LAG has commenced a recruitment round of new trustees which was completed in 2023.

New premises were secured to provide a solid base for LAG's activities.

An Operations Officer has been employed to assist with the delivery of LAG's strategic plan.

L.A.G Education and Service Trust Limited

Trustees' Report

Plans for the future

LAG plans to implement the new strategic plan: developing our campaigning role, widening our reach into the access to justice community, continuing to work with partners and develop new partnerships and continuing to deliver high quality legal information and resources.

Financial review

LAG incurred an unrestricted deficit of £36,732 (2021: surplus of £32,829) for the year and has a combined total surplus of £72,100 (2021: £112,482) in restricted and unrestricted balances at the year end.

Income has reduced due to a drop in the following areas:

Book Income reduced by approximately £28,000 with 2022 income at £305,000 against £333,000 in 2021.

Training & Events reduced by approximately £21,000 with 2022 income at £27,000 against £48,000 in 2021.

In the case of books and training and events, the drop in income is directly linked to the gap in, or lack of, dedicated posts for these departments which will be filled in the upcoming year.

Grant income reduced by £32,000 with 2022 grants received totalling £8,800 against £41,100 in 2021.

Costs of sales reduced in line with the reduction of income in books and training and events income.

Restricted expenditure reduced in 2022 compared to 2021 due to the reduced level of restricted grants which correspond to the expenditure. This resulted in a shift to increased unrestricted costs in areas where those costs were ongoing but no longer had restricted funding to support the costs.

Reserves Policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to between three and six months of unrestricted charitable expenditure. The trustees consider that this level is necessary to protect against fluctuations in trading income and against drops in grant income.

The balance held as unrestricted funds as of 31 December 2022 was £72,100, of which £68,308 are regarded as free reserves, against an actual three month spend of £129,200.

The current level of reserves is therefore below target and the trustees anticipate that this will remain the case in the near to medium term while the organisation undergoes a period of transformation as it executes its strategic plan.

Risk management

The trustees are in the process of conducting a review of the key risks to which the charity is currently exposed. Mitigating actions will be implemented to protect the ongoing stability of the charity and allow the organisation to execute its long-term strategic plan.

L.A.G Education and Service Trust Limited

Trustees' Report

Structure, governance and management

Governing document

L.A.G. Education and Service Trust Limited ("LAG") is a company limited by guarantee and a registered charity, incorporated on 8 February 1973, company number 01095065, and registered as a charity, number 265703, on 21 June 1973.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Rosalind Bragg (Chair from July 2022)

Laura Janes (Chair to July 2022)

Jon Robins

Oliver Rivers (Treasurer)

Angela Patrick (to September) 2022

Sonia Kalsi (to July 2022)

Lisa Linde

Charlotte Hughes

Julian Allen

Appointment of trustees

Recruitment to the trustee board is by election and co-option. At the 2021 Annual General Meeting (AGM), the trustees on the board who had served for two years resigned and elections were held for new trustees. The Memorandum and Articles of association provided for 11 trustees to be elected and 7 to be co-opted.

Organisational structure and decision making

LAG is both a registered charity and company limited by guarantee. A board of seven trustees and directors is responsible for the governance and strategic management of the organisation. Board members are elected at an AGM of all members and meet every two months throughout the year.

A staff team of five is managed by LAG's chief executive officer.

All trustees, who are also directors, give their time freely and none of them received remuneration in the year.

The pay of the Chief Executive Officer ("CEO") is reviewed annually, along with staff salaries.

Statement of Trustees' responsibilities

L.A.G Education and Service Trust Limited

Trustees' Report

The trustees, who are also the directors of L.A.G. Education and Service Trust Limited 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 charity 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

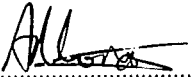
Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The annual report was approved by the trustees of the charity on 12 July 2023 and signed on its behalf by:


.....
Adriano Moraes 12/7/23
Trustee

L.A.G Education and Service Trust Limited

Independent Examiner's Report to the trustees of L.A.G Education and Service Trust Limited ('the Company')

I report to the charity trustees (who are also Directors for the purpose of company law) on my examination of the accounts of the L.A.G Education and Service Trust Limited ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. 10 24

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of L.A.G Education and Service Trust Limited you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of L.A.G Education and Service Trust Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since L.A.G Education and Service Trust Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

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

L.A.G Education and Service Trust Limited

**Independent Examiner's Report to the trustees of L.A.G Education and Service Trust
Limited ('the Company')**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in black ink, appearing to read 'Tim Sullivan', is written over a dotted line.

Tim Sullivan FCA
ICAEW

9 Hare & Billet Road
Blackheath
SE3 0RB

14 July 2023

L.A.G Education and Service Trust Limited

Statement of Financial Activities for the Year Ended 31 December 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:							
Donations and legacies	3	13,871	8,760	22,631	10,819	43,107	53,926
Charitable activities	4	466,423	-	466,423	514,657	-	514,657
Investment income	5	9	-	9	39	-	39
Total income		480,303	8,760	489,063	525,515	43,107	568,622
Expenditure on:							
Charitable activities	6	(517,035)	(12,410)	(529,445)	(492,686)	(72,067)	(564,753)
Total expenditure		(517,035)	(12,410)	(529,445)	(492,686)	(72,067)	(564,753)
Net movement in funds		(36,732)	(3,650)	(40,382)	32,829	(28,960)	3,869
Reconciliation of funds							
Total funds brought forward		108,832	3,650	112,482	76,003	32,610	108,613
Total funds carried forward	16	72,100	-	72,100	108,832	3,650	112,482

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 16.

The notes on pages 14 to 24 form an integral part of these financial statements.

L.A.G Education and Service Trust Limited

**(Registration number: 01095065)
Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	3,792	5,979
Current assets			
Stocks	12	71,995	79,260
Debtors	13	68,948	105,989
Cash at bank and in hand		<u>48,727</u>	<u>86,830</u>
		189,670	272,079
Creditors: Amounts falling due within one year	14	<u>(97,251)</u>	<u>(130,740)</u>
Net current assets		<u>92,419</u>	<u>141,339</u>
Total assets less current liabilities		96,211	147,318
Creditors: Amounts falling due after more than one year	15	<u>(24,111)</u>	<u>(34,836)</u>
Net assets		<u><u>72,100</u></u>	<u><u>112,482</u></u>
Funds of the charity:			
Restricted income funds			
Restricted funds		-	3,650
Unrestricted income funds			
Unrestricted funds		<u>72,100</u>	<u>108,832</u>
Total funds	16	<u><u>72,100</u></u>	<u><u>112,482</u></u>

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

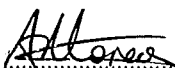
- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 14 to 24 form an integral part of these financial statements.

L.A.G Education and Service Trust Limited

(Registration number: 01095065)
Balance Sheet as at 31 December 2022

The financial statements on pages 10 to 24 were approved by the trustees, and authorised for issue on 2 July 2023 and signed on their behalf by:

..... 
Adriano Moraes 12/7/23
Trustee

The notes on pages 14 to 24 form an integral part of these financial statements.

L.A.G Education and Service Trust Limited

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (expenditure)/income		(40,382)	3,869
Adjustments to cash flows from non-cash items			
Depreciation		2,873	1,306
Investment income		(9)	(39)
		<u>(37,518)</u>	<u>5,136</u>
Working capital adjustments			
Decrease/(increase) in stocks	12	7,265	(16,699)
Decrease/(increase) in debtors	13	37,041	(6,950)
(Decrease)/increase in creditors	14	(40,249)	16,305
Increase/(decrease) in deferred income	15	<u>5,682</u>	<u>(9,798)</u>
Net cash flows from operating activities		<u>(27,779)</u>	<u>(12,006)</u>
Cash flows from investing activities			
Interest received		9	39
Acquisitions of tangible assets		<u>(686)</u>	<u>(4,739)</u>
Net cash flows from investing activities		(677)	(4,700)
Cash flows from financing activities			
Repayment of bank borrowings		<u>(9,647)</u>	<u>(5,518)</u>
Net decrease in cash and cash equivalents		(38,103)	(22,224)
Cash and cash equivalents at 1 January		<u>86,830</u>	<u>109,054</u>
Cash and cash equivalents at 31 December		<u><u>48,727</u></u>	<u><u>86,830</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 14 to 24 form an integral part of these financial statements.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

2nd Floor
Gatehouse Chambers
1 Lady Hale Gate
WC1X 8BS

These financial statements were authorised for issue by the trustees on 12 July 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

L.A.G Education and Service Trust Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

Income and endowments

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

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

Income from grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met it is probable that the income will be received and the amount can be measured reliably and is not deferred. These grants tend to be for specific purposes, for example, the writing of a report, and are therefore treated as restricted funds.

Income received for future courses and Legal Action Magazine and CCVLR subscriptions received in advance are deferred until the charity is entitled to these amounts. The amount are realised to the statement of financial activities in the period to which it relates.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £200 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	33.33% straightline

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Sponsorship	4,850	-	4,850	3,500
Memberships	7,069	-	7,069	6,143
Appeals and donations	1,952	-	1,952	3,176
Grants	-	8,760	8,760	41,107
	<u>13,871</u>	<u>8,760</u>	<u>22,631</u>	<u>53,926</u>

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

4 Income from charitable activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Legal action magazine	133,824	133,824	133,542
Book sales	305,227	305,227	333,080
Courses income	27,372	27,372	48,035
	<u>466,423</u>	<u>466,423</u>	<u>514,657</u>

5 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable on bank deposits	9	9	39

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Other direct costs		223,211	12,410	235,621	248,734
Depreciation of fixtures and fittings		2,873	-	2,873	1,306
Website maintenance and development		13,999	-	13,999	4,003
Staff costs		142,876	-	142,876	177,349
Support costs	7	<u>134,076</u>	<u>-</u>	<u>134,076</u>	<u>133,361</u>
		<u>517,035</u>	<u>12,410</u>	<u>529,445</u>	<u>564,753</u>

In addition to the expenditure analysed above, there are also governance costs of £134,076 (2021 - £133,361) which relate directly to charitable activities. See note 7 for further details.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Analysis of governance and support costs

Support costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Wages and salaries	85,265	85,265	82,518
Telephone	325	325	458
Sundries	5,620	5,620	10,030
Office expenses	20,680	20,680	8,610
Computer software and maintenance	4,751	4,751	4,812
Printing, postage and stationery	577	577	1,483
Audit of 2021 accounts	4,900	4,900	6,120
Independent examination of 2022 accounts	2,250	2,250	-
Legal and professional	2,054	2,054	313
Bad debts written off	2,403	2,403	13,816
Bank charges	3,336	3,336	3,515
Membership	1,915	1,915	1,686
	<u>134,076</u>	<u>134,076</u>	<u>133,361</u>

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

10 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
Staff costs during the year were:		
Wages and salaries	200,005	227,805
Social security costs	14,389	17,401
Pension costs	12,672	14,661
Other staff costs	1,075	-
	<u>228,141</u>	<u>259,867</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022	2021
	No	No
Administration	4	3
Publishing	1	1
Editorial	2	2
	<u>7</u>	<u>6</u>

No employee received emoluments of more than £60,000 during the year.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2022	8,525	8,525
Additions	<u>686</u>	<u>686</u>
At 31 December 2022	<u>9,211</u>	<u>9,211</u>
Depreciation		
At 1 January 2022	2,546	2,546
Charge for the year	<u>2,873</u>	<u>2,873</u>
At 31 December 2022	<u>5,419</u>	<u>5,419</u>
Net book value		
At 31 December 2022	<u>3,792</u>	<u>3,792</u>
At 31 December 2021	<u>5,979</u>	<u>5,979</u>

12 Stock

	2022 £	2021 £
Stocks	<u>71,995</u>	<u>79,260</u>

13 Debtors

	2022 £	2021 £
Trade debtors	49,780	83,213
Prepayments	12,454	21,098
Other debtors	<u>6,714</u>	<u>1,678</u>
	<u>68,948</u>	<u>105,989</u>

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	10,724	9,646
Trade creditors	27,755	57,380
Other taxation and social security	-	4,686
Accruals	9,415	15,353
Deferred Income	49,357	43,675
	<u>97,251</u>	<u>130,740</u>

15 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	<u>24,111</u>	<u>34,836</u>
Bank loan		
Payable within one year	10,724	9,646
Payable after one year	<u>24,111</u>	<u>34,836</u>
	<u>34,835</u>	<u>44,482</u>

16 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
Unrestricted funds				
General funds	108,832	480,303	(503,036)	86,099
Restricted funds				
LEF Red Pencil Grant	1,090	-	(1,090)	-
Access to Justice Fund - MyPay	1,966	-	(1,966)	-
Leicester Law Society	594	-	(594)	-
Therium Grant	-	8,760	(8,760)	-
	<u>3,650</u>	<u>8,760</u>	<u>(12,410)</u>	<u>-</u>
Total funds	<u>112,482</u>	<u>489,063</u>	<u>(515,446)</u>	<u>86,099</u>

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	76,003	525,515	(488,683)	112,835
Restricted funds				
Brenda Hale Book Project	3,960	-	(3,960)	-
LEF Red Pencil Grant	1,090	-	-	1,090
Access to Justice Fund - MyPay	1,966	-	-	1,966
Leicester Law Society	594	-	-	594
LEF Sustainability Grant	25,000	25,000	(50,000)	-
Therium Grant	-	16,107	(16,107)	-
Housing Conference	-	2,000	(2,000)	-
	32,610	43,107	(72,067)	3,650
Total funds	108,613	568,622	(560,750)	116,485

The specific purposes for which the funds are to be applied are as follows:

The Housing Disrepair Project - Funded from Trust for London.

The Brenda Hale Book Project - Funded from donations and a grant from Sigrid Rausing Trust. The book about Brenda Hale's life will be published in the autumn.

The LEF Red Pencil Grant - Fund marketing for the sale of the Brenda Hale book.

The Access to Justice Fund - Used to consolidate the MyPay project which is an interactive Employment Law online tool to help the public access advice regarding employment problems.

The Trust for London Covid 19 grant – Funding to help with any Covid 19 related additional expenditure.

Leicester Law Society – this is funding to cover the costs of distribution of Equal to Everything (Brenda Hale book) to schools to Leicester in 2021.

LEF Sustainability – A grant to help LAG's sustainability.

Lockdown Lawyers – Funded from donations from Jon Whitfield QC and Doughty Street Chambers.

Therium Access Limited – A grant used for the Duty Possession : A practical Guide for the book and training.

Housing Conference – sponsorship received to fund the 2021 conference.

L.A.G Education and Service Trust Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Tangible fixed assets	3,792	-	3,792
Current assets	189,670	-	189,670
Current liabilities	(97,251)	-	(97,251)
Creditors over 1 year	(24,111)	-	(24,111)
Total net assets	<u>72,100</u>	<u>-</u>	<u>72,100</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2021 £
Tangible fixed assets	5,979	-	5,979
Current assets	268,429	3,650	272,079
Current liabilities	(130,740)	-	(130,740)
Creditors over 1 year	(34,836)	-	(34,836)
Total net assets	<u>108,832</u>	<u>3,650</u>	<u>112,482</u>

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales - Charity number 265703

Accounts

Charity Registration No. 265703

Company Registration No. 01095065 (England and Wales)

L.A.G. EDUCATION AND SERVICE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

tc accounts · tax · legal · financial planning

76 New Cavendish Street
London
W1G 9TB

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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L.A.G. EDUCATION AND SERVICE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Julian Allen Dr Laura Janes (Chair) Sonia Kalsi Oliver Rivers (Treasurer) Russell Conway Angela Patrick Heather Thomas
Secretary	Mr O Rivers
Charity number	265703
Company number	01095065
Principal address	2nd Floor Gatehouse Chambers 1 Lady Hale Gate London WC1X 8BS
Registered office	2nd Floor Gatehouse Chambers 1 Lady Hale Gate London WC1X 8BS
Auditor	TC Group 76 New Cavendish Street London W1G 9TB

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in presenting their Report and the Financial Statements for the year ended 31 December 2021, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and 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)" (effective 1 January 2019).

Structure, governance and management

Governing document

L.A.G. Education and Service Trust Limited ("LAG") is a company limited by guarantee and a registered charity, incorporated on 8 February 1973, company number 01095065, and registered as a charity, number 265703, on 21 June 1973.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Julian Allen
Dr Laura Janes (Chair)
Sonia Kalsi
Oliver Rivers (Treasurer)
Russell Conway
Angela Patrick
Heather Thomas

Appointment of trustees

Recruitment to the trustee board is by election and co-option. At the 2020 Annual General Meeting (AGM), the trustees on the board who had served for two years resigned and elections were held for new trustees. The Memorandum and Articles of association provided for 11 trustees to be elected and 7 to be co-opted. Angela Patrick, Russell Conway and Oliver Rivers were re-elected to the board.

Organisational structure and decision making

LAG is both a registered charity and company limited by guarantee. A board of seven trustees and directors is responsible for the governance and strategic management of the organisation. Board members are elected at an AGM of all members and meet every two months throughout the year.

A staff team of five is managed by LAG's chief executive officer. There are two heads of department: Publishing Director and Legal Action Editor. These post holders are responsible for managing department budgets.

Pay policy for senior staff

All trustees, who are also directors, give their time freely and none of them received remuneration in the year.

The pay of the Chief Executive Officer ("CEO") is reviewed annually, along with staff salaries.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities

LAG's charitable objective

To promote and advance education and knowledge of the law in the United Kingdom and secondly to relieve poor persons in the United Kingdom by promoting and assisting with the provision of legal services which would not otherwise be available to them through lack of means.

LAG's Vision

Our vision is a fair legal system that excludes no one, upholds equality and social justice, and meets the needs of the people it serves.

Legal Action Group supports and empowers those providing legal services and using the law to achieve justice for those who are disadvantaged, unable to speak for themselves or who struggle to be heard, by:

- Publishing and disseminating accessible, high quality, authoritative and up to date legal information and knowledge.
- Delivering education and training and creating opportunities for the exchange of ideas.
- Being an authoritative voice speaking up for justice and improving law and practice.

On this basis, the Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Strategic aims

LAG is a respected commentator on legal aid and access to justice issues. The LAG brand is well known within the social justice sector and stands for quality. As LAG reaches its 50th year The content of our legal information is high quality and our magazine, *Legal Action*, is the main outlet for our policy messages to achieve our vision. Both the specialist legal media and the wider print and broadcast media perceive LAG as one of the leading commentators in this area of work.

LAG's strategic aims in line with our vision are as follows:

- Strategic aim 1: Publish and disseminate accessible, high quality, authoritative and up to date legal information and knowledge.
- Strategic aim 2: Deliver education and training and creating opportunities for the exchange of ideas.
- Strategic aim 3: Be an authoritative voice speaking up for justice and improving law and practice.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Developing Strategy

The strength of the LAG brand has been constantly reinforced by the quality of its publications and training. LAG is a well-respected, valued and much-loved organisation that sits at the heart of the legal advice sector providing the tools to enable social justice lawyers to do their jobs to a high standard and develop the law. It supports newer entrants and allows them to benefit from the expertise of leading lawyers in their fields.

LAG's audience can be divided into two distinct camps, with different information needs: social justice lawyers and legal advisers; and the wider access to justice community, who may have no legal qualification or training. There is considerable scope for recycling and repackaging existing content to reach new audiences; serve existing audiences more fully; and increase return on cost producing copy. A key component of the new strategy is to develop new ways of delivering and developing the content to support the wider access to justice community.

In 2020 LAG adapted to the circumstances of the pandemic and the move towards home working. This was achieved by increased focus on the availability of digital products and the development of multi-user licences for larger organisations. The trustees are continuing to focus on developing the digital strategy that would enable LAG to re-package our content and deliver in new ways to our core audience. This will be in a wider range of accessible, digital formats which will re-shape and distil content to tailor it for frontline advisers in the wider access to justice community.

We will prioritise the development of training programs for specialist professions and support professions by increasing the relevance of content across wider audiences: in easy to obtain, affordable information tailored from existing content for different groups within the wider access to justice community. LAG's charitable status and reputation within the social justice sector stands it in good stead for partnering/collaborating with a wide range of providers in this field.

Statement on compliance with Charity Commission guidance

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

LAG's commercial activities in publications and training meet the objectives of increasing knowledge of legal rights, particularly in those areas of law that have the greatest impact on the vulnerable and socially excluded (strategic aim 1).

LAG now publishes over fifty books on law and practice. The sale of these provides the largest source of revenue for the charity. Much of the activity of the charity is carried out to expand the market for LAG's products and to maintain an efficient and solvent business (strategic aim 1). All books are available in print and digital format and available to buy as 'bundles' of print/digital.

Publishing

- The award-winning Legal Action Magazine, a 48-page magazine, produced ten issues covering news, policy and features. The law and practice section of the magazine covers every area of social welfare law, immigration, prison law and criminal practice – keeping practitioners up to date with the law on a monthly/quarterly basis.
- Books: LAG publishes accessible, practical legal handbooks covering all aspects of social welfare law and criminal justice in both print form and as e-books. The advice is practical and jargon free and accessible to all lawyers and advisers. In 2021 new editions of LAG's books were published including *Defending Possession Proceedings*, *Employment Law: an adviser's handbook*, *Supported Housing and the Law*, *Homeless and Allocations*, *Housing Possession Duty Desk*, *Extradition Law*. New titles were developed including *Jobs and Homes* and *Vicarious Trauma in the Legal Profession*.
- *Community Care Law Reports (CCLR)*, the only law report devoted entirely to community care law, were published quarterly in print and online.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Training Events

- Our programme of online training continued hosting over 1500 delegates, speakers and guests including: The Housing Conference, The Community Care Conference, The Dark Arts in Coroners Courts, Inquests and Public Inquiries,
- LAG also ran a series of training with the support of a grant from Therium: Housing Possession Duty Desk training: Beginner, advanced and advocacy.
- A number of online seminars and book launches which were free to attend and significantly enhanced the reach of the books, increasing sales and exposure.

Operational Review

The trustee board commissioned an independent consultant to undertake an organisational review of LAG's current structure and practices to ensure they are best suited to meeting the objectives of the charity.

Premises

LAG secured a new home at 1 Lady Hale Gate, Gray's Inn, London WC1X 8BS in 2021 and are grateful to Gatehouse Chambers for their support.

Risks

The continuing decline in the number of civil legal aid providers is the main threat to LAG achieving its objectives. The reduction in the legal aid sector, due to cuts in legal aid rates, local government and other public spending, as well as the strain caused by Covid, is another significant threat to LAG achieving its strategic objectives. LAG has responded well to this need, increasing on-line publications and the provision of multi-user licences. The new strategy, of repackaging our content, and making it available to the wider access to justice sector, will increase revenue and reduce the threat caused by diminishing legal aid providers.

Key Performance Indicators (KPI) for LAG's activities are:

- Increase in variety and sales of publications measured by additions to existing backlist of products and turnover;
- Increased subscriptions to the magazine
- Increase in new authors and trainers
- Increased revenue from training and conferences;
- Extending the reach of LAG's products to the wider access to justice community
- Social media profile measured by website traffic and Twitter and Facebook followers

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

LAG incurred an unrestricted surplus of £32,829 (2020: £15,513) for the year and has a combined total surplus £112,482 (2020: £108,613) in restricted and unrestricted balances at the year end.

Books

Income from Book sales was £333k in 2021, up £25k (8%) from £308k in 2020. CCLR income of £21k in both years is included in book sales and totals. The largest increases within the book sales were from Ebooks, with a £15k (77%) increase since 2020 of both individual and multi user licence Ebooks sales combined.

Magazines

Income from magazine subscriptions dropped by £12k (9%) from £146k in 2020 to £134k in 2021. The trustee's are reviewing how a strategy can be implemented to increase this income again.

Training & Events

Income from course events in 2021 was £48k vs £33k in 2020. This is an increase of £15k (45%), which is the result of having more events, and the move to on-line events, compared to 2020 when we had many in person events cancelled.

Grant Income

Restricted Grant income includes £25k for LEF to work on LAG's new strategy and £16k from Therium Access for the development of the book; Housing Possession Duty: A Practical Guide and training to support the book.

Overview

Overall, expenditure in 2021 was consistent with the prior year. There were increases in restricted costs of wages and direct costs, however this is to be expected with higher grant income and higher book sales which result in increased direct costs.

2021 ended on a positive note, however there is still room to improve our systems in order to be able to expand our offering. The Chief Executive Officer continues to work closely with LAG's Treasurer to ensure the financial stability of the charity. This is achieved by producing regular management accounts and cash flow projections to identify any future cash flow problems so that action can be taken beforehand to ensure the survival of the charity. Regular meetings take place to identify changes to proposed budgeted income and expenditure.

LAG's income is reliant on the sales of books, events and subscriptions to the magazine. These are monitored closely, and we have developed closer customer relations with larger organisations to understand and meet their content and delivery need. We recognise that grant funding is important for developing the organisation and the need to adapt our content and delivery. Our strategy highlights the need to expand our grant funding to enable us to provide a greater range of products and services

Reserves Policy

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to not less than six months of unrestricted charitable expenditure. The trustees consider that this level is necessary to protect against fluctuations in trading income and against drops in grant income.

The balance held as unrestricted funds as at 31 December 2021 was £108,832, of which £102,853 are regarded as free reserves, against an actual six month spend of £246,400. The current level of reserves is therefore more than 50% below target, and increasing unrestricted funds remains an important strategic objective of the Chief Executive Officer and the board.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees plan to increase the reserves by reviewing costs and reducing costs where possible. There is much scope to increase our income on magazines once our internal systems have been improved. There is also the potential to increase event income by ensuring that there is a solid long-term plan in place and that events can be held in a flexible way to reduce cancellations if there are external factors beyond our control, such as government restrictions on events.

The restricted funds are not included in the trustees' view of reserve needs because these restricted funds are held for only as long as it is necessary to organise the relevant projects. Normally these funds are spent within 12 months of receipt.

The totals funds held in reserves at 31 December 2021 are £112,482 (2020: £108,613). Of this amount, unrestricted funds showed a surplus of £108,832 (2020: surplus of £76,003) while restricted funds showed a surplus £3,650 (2020: surplus of £32,610).

Risk management

The trustees have reviewed the major business, financial and strategic risks to which the charity is exposed and confirm that steps have been taken to mitigate those risks.

The main risk to the organisation is the continuing decline in the numbers of firms and organisations undertaking legal aid work and the narrowing of the margins on which the remaining firms operate, as these firms have been LAG's main customers. LAG's new strategy of developing content for the wider access to justice community will enable a wider audience to use LAG's products and thereby increase revenue.

A second major risk is the availability of working capital. The charity has mitigated this risk by increasing its unrestricted reserves.

Costs are kept under constant review and new markets are being developed for the trading activities.

Plans for the future

Below are some of LAG's plans for 2022 and further ahead:

- Develop a new model of training programs for specialist professions and support professions by increasing the relevance of content across wider audiences: easy to obtain, affordable information tailored from existing content for different groups within the wider access to justice community.
- Fully revise our website to improve access to our books, magazines and events and to create a platform for sharing ideas and inspiring innovation and debate about new ways of delivering access to justice, from the UK and around the world.
- Develop partner strategy with law centres, CAB's, advice centres and universities to support training and information needs and also content repository.
- Explore a membership model aimed at our core audience and from where we will draw our writers and trainers.
- Nurture and support the next generation of social justice lawyers to write and campaign on access to justice issues
- LAG will use the continue to raise its profile as a commentator on legal aid and access to justice, through the Legal Action magazine and other media outlets and to play a leading role in campaigning on access to justice.
- Key priorities for the magazine include increasing the proportion of young subscribers – trainees, pupils and students by tailoring content to those age groups as well as marketing to them more effectively. The magazine is also keen to expand its pool of authors so that we have younger and more diverse voices in the magazine.
- To use the 50th anniversary to enhance and strengthen LAG's profile.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The trustees, who are also the directors of L.A.G. Education and Service Trust Limited 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 charity 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

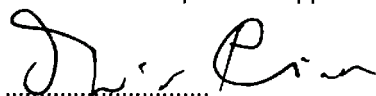
Auditor

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



.....
Oliver Rivers (Treasurer)

Trustee

Dated: 18/02/2022

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Opinion

We have audited the financial statements of L.A.G. Education and Service Trust Limited (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 31 December 2021 and of its incoming resources and application of resources, 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 Companies Act 2006.

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 charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity'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

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Levy (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: London

Date: 07/09/2022

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income from:</u>							
Donations and grant income	3	10,819	43,107	53,926	14,114	37,725	51,839
Charitable activities	4	514,656	-	514,656	487,174	-	487,174
Investments	5	39	-	39	13	-	13
Total income		525,514	43,107	568,621	501,301	37,725	539,026
<u>Expenditure on:</u>							
Raising funds	6	-	-	-	430	-	430
Charitable activities	7	492,685	72,067	564,752	487,084	18,788	505,872
Total resources expended		492,685	72,067	564,752	487,514	18,788	506,302
Gross transfers between funds		-	-	-	1,726	(1,726)	-
Net income/(expenditure) for the year/							
Net movement in funds		32,829	(28,960)	3,869	15,513	17,211	32,724
Fund balances at 1 January 2021		76,003	32,610	108,613	60,490	15,399	75,889
Fund balances at 31 December 2021		108,832	3,650	112,482	76,003	32,610	108,613

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.

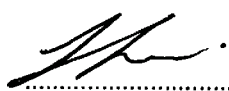
L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF FINANCIAL POSITION

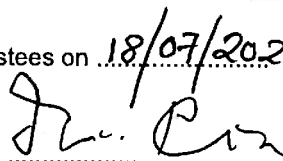
AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	11		5,979		2,546
Current assets					
Stocks	12	79,260		62,561	
Debtors	13	105,990		99,040	
Cash at bank and in hand		86,829		109,054	
		<u>272,079</u>		<u>270,655</u>	
Creditors: amounts falling due within one year	15	<u>(130,740)</u>		<u>(113,301)</u>	
Net current assets			141,339		157,354
Total assets less current liabilities			147,318		159,900
Creditors: amounts falling due after more than one year	16		(34,836)		(51,287)
Net assets			<u>112,482</u>		<u>108,613</u>
Income funds					
Restricted funds	18		3,650		32,610
Unrestricted funds			108,832		76,003
			<u>112,482</u>		<u>108,613</u>

The financial statements were approved by the Trustees on 18/07/2022



Dr Laura Janes (Chair)
Trustee



Oliver Rivers (Treasurer)
Trustee

Company Registration No. 01095065

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(12,007)		40,465
Investing activities					
Purchase of tangible fixed assets		(4,739)		(2,825)	
Interest received		39		13	
Net cash used in investing activities			(4,700)		(2,812)
Financing activities					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(5,518)		-	
Net cash (used in)/generated from financing activities			(5,518)		50,000
Net (decrease)/increase in cash and cash equivalents			(22,225)		87,653
Cash and cash equivalents at beginning of year			109,054		21,401
Cash and cash equivalents at end of year			86,829		109,054

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

L.A.G. Education and Service Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office and place of business are 2nd Floor, Gatehouse Chambers, 1 Lady Hale Gate, London, WC1X 8BS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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 unless the funds have been designated for other purposes.

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 charity.

1.4 Incoming resources

Income is recognised when the charity 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 charity 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.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. These grants tend to be for specific purposes, for example, the writing of a report, and are therefore treated as restricted funds.

Income received for future courses and *Legal Action* magazine and CCLR subscriptions received in advance are deferred until the charity is entitled to these amounts. The amounts are released to the statement of financial activities in the period to which it relates.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Income from *Legal Action* magazine and CCLR sales are apportioned evenly over the period of the subscription. The charity offers subscription lengths of either 1 year or 2 years.

Income from book sales are recognised in the month of sale.

Interest is included when receivable by the charity.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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 accruals basis, inclusive of any VAT which cannot be recovered. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Certain expenditure that can be directly attributable to specific activities has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

The direct costs of fundraising activities and the proportion of overheads required to support these activities.

Governance costs are those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Support costs are those expenses incurred to support the activities in furtherance of the charity's objects.

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	33.33% straightline
-----------------------	---------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic 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.

Basic financial liabilities

Basic financial liabilities, including creditors and 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 charity'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 charity 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.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the opinion of the directors there are no significant judgements or areas of estimation uncertainty.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and grant income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	3,176	-	3,176	7,520	4,820	12,340
Grant income	-	41,107	41,107	729	32,905	33,634
Membership fees	6,143	-	6,143	5,865	-	5,865
Sponsorship	1,500	2,000	3,500	-	-	-
	<u>10,819</u>	<u>43,107</u>	<u>53,926</u>	<u>14,114</u>	<u>37,725</u>	<u>51,839</u>
Donations and gifts	3,176	-	3,176	7,520	4,820	12,340
Other	3,176	-	3,176	7,520	4,820	12,340
Grants receivable for core activities	-	41,107	41,107	729	32,905	33,634
Other	-	41,107	41,107	729	32,905	33,634

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

	2021 £	2020 £
<i>Legal Action</i> magazine sales	133,542	146,027
Book sales	333,079	307,997
Courses income	48,035	33,150
	<u>514,656</u>	<u>487,174</u>

5 Investments

	Unrestricted funds	Total
	2021 £	2020 £
Interest receivable	<u>39</u>	<u>13</u>

6 Raising funds

	Unrestricted funds	Total
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Other fundraising costs	-	430
	<u>-</u>	<u>430</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Charitable activities

	Publication & courses 2021 £	Policy & educational work 2021 £	Total Publication & courses 2021 £	Policy & educational work 2020 £	Total 2020 £
Staff costs	150,309	27,040	177,349	191,017	193,969
Depreciation	-	1,306	1,306	-	1,495
Other direct costs	206,606	43,407	250,013	205,712	221,068
	<u>356,915</u>	<u>71,753</u>	<u>428,668</u>	<u>396,729</u>	<u>416,532</u>
Share of support costs (see note 8)	128,344	7,740	136,084	79,753	89,340
	<u>485,259</u>	<u>79,493</u>	<u>564,752</u>	<u>476,482</u>	<u>505,872</u>
Analysis by fund					
Unrestricted funds	485,259	7,426	492,685	476,482	487,084
Restricted funds	-	72,067	72,067	-	18,788
	<u>485,259</u>	<u>79,493</u>	<u>564,752</u>	<u>476,482</u>	<u>505,872</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Support costs	Publication & courses £	Policy & educational work £	2021 £	Publication & courses £	Policy & educational work £	2020 £
Staff costs	82,518	-	82,518	49,164	-	49,164
Office costs	8,610	-	8,610	7,876	-	7,876
Telephone	350	108	458	455	-	455
Postage and stationery	1,483	-	1,483	767	-	767
Computer support costs	1,315	-	1,315	3,390	-	3,390
Bank charges	3,515	-	3,515	1,677	-	1,677
Sundry expenses	15,051	1,512	16,563	11,054	1,937	12,991
Membership costs	1,686	-	1,686	1,036	-	1,036
Bad debt write off	13,816	-	13,816	4,334	-	4,334
Audit fees	-	6,120	6,120	-	7,650	7,650
	<u>128,344</u>	<u>7,740</u>	<u>136,084</u>	<u>79,753</u>	<u>9,587</u>	<u>89,340</u>
Analysed between						
Charitable activities	<u>128,344</u>	<u>7,740</u>	<u>136,084</u>	<u>79,753</u>	<u>9,587</u>	<u>89,340</u>

Support costs includes payments to the auditors of £6,120 (2020 - £7,650) for audit fees.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	3	3
Publishing	1	1
Editorial	2	2
	<u>6</u>	<u>6</u>

Employment costs

	2021 £	2020 £
Wages and salaries	227,805	211,108
Social security costs	17,401	17,494
Other pension costs	14,661	14,531
	<u>259,867</u>	<u>243,133</u>

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

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2021	6,845
Additions	4,739
At 31 December 2021	<u>11,584</u>
Depreciation and impairment	
At 1 January 2021	4,299
Depreciation charged in the year	1,306
At 31 December 2021	<u>5,605</u>
Carrying amount	
At 31 December 2021	<u>5,979</u>
At 31 December 2020	<u>2,546</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Stocks

	2021 £	2020 £
Finished goods and goods for resale	79,260	62,561

13 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	83,213	85,839
Other debtors	1,678	257
Prepayments and accrued income	21,099	12,944
	105,990	99,040

14 Loans and overdrafts

	2021 £	2020 £
Bank loans	44,482	50,000
Payable within one year	9,646	-
Payable after one year	34,836	50,000

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	14	9,646	-
Other taxation and social security		4,686	8,388
Deferred income	17	43,675	52,186
Trade creditors		57,380	30,019
Accruals		15,353	22,708
		130,740	113,301

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	34,836	50,000
Deferred income	17	-	1,287
		34,836	51,287

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Deferred income

	2021	2020
	£	£
Arising from deferred membership subscriptions and course fees	43,675	53,473

Deferred income is included in the financial statements as follows:

	2021	2020
	£	£
Current liabilities	43,675	52,186
Non-current liabilities	-	1,287
	43,675	53,473

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Housing Disrepair Project (TFL)	3,773	-	(3,773)	-	-	-	-
Brenda Hale Book Project	5,311	2,874	(4,225)	3,960	-	(3,960)	-
LEF Red Pencil Grant	3,340	-	(2,250)	1,090	-	-	1,090
Access to Justice Fund - MyPay	2,975	-	(1,009)	1,966	-	-	1,966
Trust for London Covid-19 Grant	-	7,905	(7,905)	-	-	-	-
Leicester Law Society	-	594	-	594	-	-	594
LEF Sustainability Grant	-	25,000	-	25,000	25,000	(50,000)	-
Lockdown Lawyers Project	-	1,352	(1,352)	-	-	-	-
Therium Grant	-	-	-	-	16,107	(16,107)	-
Housing Conference	-	-	-	-	2,000	(2,000)	-
	15,399	37,725	(20,514)	32,610	43,107	(72,067)	3,650

• The Housing Disrepair project is funded from Trust for London.

• The Brenda Hale book project is funded from donations and a grant from Sigrid Rausing Trust. The book about Brenda Hale's life will be published in the autumn.

• The LEF Red Pencil grant is to fund marketing for the sale of the Brenda Hale book.

• The Access to Justice Fund is being used to consolidate the MyPay project which is an interactive Employment Law online tool to help the public access advice regarding employment problem.

• The Trust for London Covid-19 grant is funding to help with any Covid-19 related additional expenditure.

• Leicester Law Society - this is funding to cover the costs of distribution of Equal to Everything (Brenda Hale book) to schools in Leicester in 2021.

• The LEF Sustainability - a grant to help LAG's sustainability.

• Lockdown Lawyers was a LAG publication but funded from donations from Jon Whitfield QC and Doughty Street Chambers.

• Therium Access Limited - grant used for the Duty Possession: A practical Guide for the book and training.

• Housing Conference - sponsorship received to fund the 2021 conference.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	5,979	-	5,979	2,546
Current assets/(liabilities)	141,339	-	141,339	157,354
Long term liabilities	(34,836)	-	(34,836)	(51,287)
	<u>112,482</u>	<u>-</u>	<u>112,482</u>	<u>108,613</u>

20 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>113,350</u>	<u>102,030</u>

22 Cash generated from operations

	2021 £	2020 £
Surplus for the year	3,869	32,724
Adjustments for:		
Investment income recognised in statement of financial activities	(39)	(13)
Depreciation and impairment of tangible fixed assets	1,306	1,495
Movements in working capital:		
(Increase)/decrease in stocks	(16,699)	21,125
(Increase)/decrease in debtors	(6,950)	26,810
Increase/(decrease) in creditors	16,304	(33,874)
(Decrease) in deferred income	(9,798)	(7,802)
Cash (absorbed by)/generated from operations	<u>(12,007)</u>	<u>40,465</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Analysis of changes in net funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	109,054	(22,225)	86,829
Loans falling due within one year	-	(9,646)	(9,646)
Loans falling due after more than one year	(50,000)	15,164	(34,836)
	<u>59,054</u>	<u>(16,707)</u>	<u>42,347</u>

L A G EDUCATION AND SERVICE TRUST LIMITED

England & Wales - Charity number 265703

Accounts

Charity Registration No. 265703

Company Registration No. 01095065 (England and Wales)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
L.A.G. EDUCATION AND SERVICE TRUST LIMITED

tc accounts • tax • legal • financial planning
76 New Cavendish Street
London
W1G 9TB

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Julian Allen Dr Laura Janes (Chair) Sonia Kalsi Oliver Rivers (Treasurer) Russell Conway Angela Patrick Heather Thomas
Secretary	Oliver Rivers
Charity number	265703
Company number	01095065
Principal address	c/o Oliver Fisher Royalty Studios 105-109 Lancaster Road London W11 1QF
Registered office	c/o Oliver Fisher Royalty Studios 105-109 Lancaster Road London W11 1QF
Auditor	TC Group 76 New Cavendish Street London W1G 9TB

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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L.A.G. EDUCATION AND SERVICE TRUST LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in presenting their Report and the Financial Statements for the year ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and 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) (effective 1 January 2019)".

Structure, governance and management

Governing document

L.A.G. Education and Service Trust Limited ("LAG") is a company limited by guarantee and a registered charity, incorporated on 8 February 1973, company number 01095065, and registered as a charity, number 265703, on 21 June 1973.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Julian Allen
Dr Laura Janes (Chair)
Sonia Kalsi
Oliver Rivers (Treasurer)
Russell Conway
Angela Patrick
Heather Thomas

Appointment of trustees

Recruitment to the trustee board is by election and co-option. At the 2020 Annual General Meeting (AGM), the trustees on the board who had served for two years resigned and elections were held for new trustees. The Memorandum and Articles of association provided for 11 trustees to be elected and 7 to be co-opted. Angela Patrick, Russell Conway and Oliver Rivers were re-elected to the board.

Organisational structure and decision making

LAG is both a registered charity and company limited by guarantee. A board of seven trustees and directors is responsible for the governance and strategic management of the organisation. Board members are elected at an AGM of all members and meet every two months throughout the year.

A staff team of six is managed by LAG's chief executive officer. There are two heads of department: Publishing Director and Finance and Admin Manager; and Legal Action Editor. These post holders are responsible for managing department budgets.

Pay policy for senior staff

All trustees, who are also directors, give their time freely and none of them received remuneration in the year.

The pay of the Chief Executive Officer ("CEO") is reviewed annually, along with staff salaries.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities

LAG's charitable objective

To promote and advance education and knowledge of the law in the United Kingdom and secondly to relieve poor persons in the United Kingdom by promoting and assisting with the provision of legal services which would not otherwise be available to them through lack of means.

LAG's Vision

Our vision is a fair legal system that excludes no one, upholds equality and social justice, and meets the needs of the people it serves.

Legal Action Group supports and empowers those providing legal services and using the law to achieve justice for those who are disadvantaged, unable to speak for themselves or who struggle to be heard, by:

- Publishing and disseminating accessible, high quality, authoritative and up to date legal information and knowledge.
- Delivering education and training and creating opportunities for the exchange of ideas.
- Being an authoritative voice speaking up for justice and improving law and practice.

On this basis, the Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Strategic aims

LAG is a respected commentator on legal aid and access to justice issues. Our magazine Legal Action is the main outlet for our policy messages to achieve our vision. Both the specialist legal media and the wider print and broadcast media perceive LAG as one of the leading commentators in this area of work.

LAG's strategic aims in line with our vision are as follows:

- Strategic aim 1: Publish and disseminate accessible, high quality, authoritative and up to date legal information and knowledge.
- Strategic aim 2: Deliver education and training and creating opportunities for the exchange of ideas.
- Strategic aim 3: Be an authoritative voice speaking up for justice and improving law and practice.

Digital strategy

A major part of the work of LAG is the publication of information on the law to increase knowledge of legal rights. Most of the charity's income is derived from the sale of publications. In 2020 LAG urgently had to adapt to the circumstances of the pandemic and the move to home-working. This was achieved by increased focus on the availability of digital products and development of multi-user licences for large organisations. LAG also provided a service to lawyers and the advice sector by providing up to date COVID-19 legal resources and making these widely available, including for free for a certain period of time. The training and events programme was completely reorganised with online training courses developed and we ended the year having provided training to over 1000 delegates.

The main priority of LAG's Board of Trustees has been to urgently address LAG's financial position in particular to assist in returning the charity to a trading surplus. LAG continues to follow the recommendations in the Oxford Brookes reports of 2016 and 2018, centred on the implementation of a digital first strategy for LAG's publications to increase income and to provide an improved service to our readers.

Statement on compliance with Charity Commission guidance

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

LAG's commercial activities in publications and training meet the objectives of increasing knowledge of legal rights, particularly in those areas of law that have the greatest impact on the vulnerable and socially excluded (strategic aim 1).

LAG now publishes over fifty books on law. The sale of these provides the largest source of revenue for the charity. Much of the activity of the charity is carried out to expand the market for LAG's products and to maintain an efficient and solvent business (strategic aim 1). All books are available in print and digital format and available to buy as 'bundles' of print/digital.

Publishing

- New editions of LAG's books were published including *Legal Aid Handbook 2020/21*, *Defending Suspects at Police Stations* and *Manual of Housing Law*
- New titles were developed and LAG published new books including *Adolescent Mental Health Care and the Law*, *Clustered Injustice* and *the level green* and *Justice Matters*.
- Ten editions of *Legal Action* magazine were published. We continue to operate a digital-first policy whereby magazine content is published online as soon as it is edited and tweeted out to LAG's followers. Responding to customer demand, the magazine is now available to subscribers as a pdf in the 'Archive' section of the website. LAG responded to the pandemic and new working relationships for practitioners by offering all COVID-related content for free online during the first lockdown, including law and practice
- *Community Care Law Reports* (CCLR) were published quarterly in print and online.

Training Events

- As the pandemic hit in March we were unable to run any of our usual training and events programme in 2020, though by September we had successfully set up a programme of online training to be delivered online. These events included training on Inquests, Introduction and Advanced Actions Against the Police, all of which exceeded delegate numbers from previous years.
- LAG also ran a number of online seminars and book launches which were free to attend which significantly enhanced the reach of the books, increasing sales and exposure.

The continuing decline in the number of civil legal aid providers is the main threat to LAG achieving its objectives. The reduction in charitable advice and legal aid sector, due to cuts in legal aid rates, local government and other public spending, as well as the strain caused by Covid, is another significant threat to LAG achieving its strategic objectives. The shrinking market for our publications though, has led to the withdrawal of competitors from the market and an increase in the need for on-line publications. LAG has responded well to this need; increasing on-line publications and the provision of multi-user licences

Key Performance Indicators (KPI) for LAG's activities are:

- Increase in variety and sales of publications measured by additions to existing backlist of products and turnover;
- Increased revenue from courses and conferences;
- Successful implementation of the digital strategy including adoption of and successful use of new accounting and CRM software.
- Media profile of the charity measured by coverage of LAG's policy messages in the specialist and mainstream media;
- Social media profile measured by website traffic and Twitter and Facebook followers.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

LAG incurred an unrestricted surplus of £15,513 (2019: £80,524) for the year and has a combined total surplus £108,613 (2019: £75,889) in restricted and unrestricted balances at the year end.

The Chief Executive Officer and Finance Manager continue to work closely with LAG's Treasurer to ensure the financial stability of the charity. This is achieved by producing regular management accounts and cash flow projections to identify any future cash flow problems so that action can be taken beforehand to ensure the survival of the charity. Regular meetings take place between department heads to identify changes to proposed budgeted income and expenditure.

Reserves policy

Reserves are held to provide sufficient working capital to cover seasonal and cyclical fluctuations in trading and to protect against any drop in income. The trustees' longer term aim is to hold a level of unrestricted funds that are not designated or invested in tangible fixed assets (the free reserves), which is not less than one half of the resources expected to be expended during the following twelve months.

The totals funds held in reserves at 31 December 2020 are £108,613 (2019: £75,889). Of this amount, unrestricted funds showed a surplus of £76,003 (2019: surplus of £60,490) while restricted funds showed a surplus £32,610 (2019: surplus of £15,399).

Risk management

The trustees have reviewed the major business, financial and strategic risks to which the charity is exposed and confirm that steps have been taken to mitigate those risks.

The main risk to the organisation is the continuing decline in the numbers of firms and organisations undertaking legal aid work and the narrowing of the margins on which the remaining firms operate, as these firms are LAG's main customers. Other customers such as local authorities are also operating in difficult financial circumstances.

A second major risk is the availability of working capital. The charity has mitigated this risk by increasing its unrestricted reserves.

Costs are kept under constant review and new markets are being developed for the trading activities. In 2020 the Covid-19 pandemic and the economic consequences of lockdown were not anticipated but while this could have been a severe test of LAG's resilience the move to digital working has obviated the worst effects of the changed environment.

Plans for the future

Below are some of LAG's plans for 2021 and further ahead:

- LAG plans to expand its income and reach through the sales of digital products as well as printed publications.
- The digital first strategy continues to be implemented to ensure the long term future of the charity.
- To develop a broad training programme, both on-line and in person when possible.
- LAG will be actively exploring options to secure new premises that will enable a blend of home and office working.
- LAG will continue to raise its profile as a commentator on legal aid and access to justice, through the Legal Action magazine and other media outlets and to play a leading role in campaigning on access to justice. Key priorities for the magazine include increasing the proportion of young subscribers – trainees, pupils and students by tailoring content to those age groups as well as marketing to them more effectively. The magazine is also keen to expand its pool of authors so that we have younger and more diverse voices in the magazine.
- We will prioritise working with partners to maximise our impact and will position the charity to play an active part in leading debate on the development of the law, concentrating on our core areas of civil law: housing, employment, community care, immigration and public law including mental health.
- To use the 50th anniversary to enhance and strengthen LAG's profile.
- LAG's new CEO will oversee a review of its current structure and practices to ensure they are best suited to meeting the objectives of the charity.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

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

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The trustees, who are also the directors of L.A.G. Education and Service Trust Limited 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 charity 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 charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

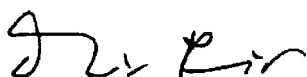
Auditor

TC Group were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Oliver Rivers (Treasurer)

Trustee

Dated: 20 July 2021

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Opinion

We have audited the financial statements of L.A.G. Education and Service Trust Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 31 December 2020 and of its incoming resources and application of resources, 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 Companies Act 2006.

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 charity 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 charity'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 information

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

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity'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

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF L.A.G. EDUCATION AND SERVICE TRUST LIMITED

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



mark levy (Jul 20, 2021 08:35 GMT+1)

Mark Levy (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory Auditor

Date 20 July 2021.....

Office: London

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
<u>Income from:</u>							
Donations and legacies	3	14,114	37,725	51,839	11,387	13,590	24,977
Charitable activities	4	487,174	-	487,174	594,692	-	594,692
Investments	5	13	-	13	-	-	-
Total income		501,301	37,725	539,026	606,079	13,590	619,669
<u>Expenditure on:</u>							
Raising funds	6	430	-	430	738	-	738
Charitable activities	7	487,084	18,788	505,872	524,817	38,445	563,262
Total resources expended		487,514	18,788	506,302	525,555	38,445	564,000
Net incoming resources before transfers		13,787	18,937	32,724	80,524	(24,855)	55,669
Gross transfers between funds		1,726	(1,726)	-	-	-	-
Net income for the year/ Net movement in funds		15,513	17,211	32,724	80,524	(24,855)	55,669
Fund balances at 1 January 2020		60,490	15,399	75,889	(20,034)	40,254	20,220
Fund balances at 31 December 2020		76,003	32,610	108,613	60,490	15,399	75,889

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.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF FINANCIAL POSITION

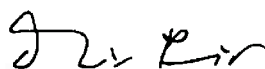
AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		2,546		1,216
Current assets					
Stocks	12	62,561		83,686	
Debtors	13	99,040		125,850	
Cash at bank and in hand		109,054		21,401	
		<u>270,655</u>		<u>230,937</u>	
Creditors: amounts falling due within one year	15	<u>(113,301)</u>		<u>(152,147)</u>	
Net current assets			157,354		78,790
Total assets less current liabilities			159,900		80,006
Creditors: amounts falling due after more than one year	16		(51,287)		(4,117)
Net assets			<u>108,613</u>		<u>75,889</u>
Income funds					
Restricted funds	18		32,610		15,399
Unrestricted funds			76,003		60,490
			<u>108,613</u>		<u>75,889</u>

The financial statements were approved by the Trustees on 20 July 2021



Dr Laura Janes (Chair)
Trustee



Oliver Rivers (Treasurer)
Trustee

Company Registration No. 01095065

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		40,465		(12,458)
Investing activities					
Purchase of tangible fixed assets		(2,825)		(961)	
Investment income received		13		-	
Net cash used in investing activities			(2,812)		(961)
Financing activities					
Proceeds of new bank loans		50,000		-	
Net cash generated from/(used in) financing activities			50,000		-
Net increase/(decrease) in cash and cash equivalents			87,653		(13,419)
Cash and cash equivalents at beginning of year			21,401		34,820
Cash and cash equivalents at end of year			109,054		21,401

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

L.A.G. Education and Service Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office and place of business are c/o Oliver Fisher, Royalty Studios, 105-109 Lancaster Road, London, W11 1QF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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 charity.

1.4 Incoming resources

Income is recognised when the charity 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 charity 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.

Income from grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. These grants tend to be for specific purposes, for example, the writing of a report, and are therefore treated as restricted funds.

Income received for future courses and *Legal Action* magazine and CCLR subscriptions received in advance are deferred until the charity is entitled to these amounts. The amounts are released to the statement of financial activities in the period to which it relates.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Income from *Legal Action* magazine and CCLR sales are apportioned evenly over the period of the subscription. The charity offers subscription lengths of either 1 year or 2 years.

Income from book sales are recognised in the month of sale.

Interest is included when receivable by the charity.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity 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 accruals basis, inclusive of any VAT which cannot be recovered. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Certain expenditure that can be directly attributable to specific activities has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

The direct costs of fundraising activities and the proportion of overheads required to support these activities.

Governance costs are those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Support costs are those expenses incurred to support the activities in furtherance of the charity's objects.

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	33.33% straightline
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.9 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.

Basic financial liabilities

Basic financial liabilities, including creditors and 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 charity'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 charity 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.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	7,520	4,820	12,340	3,610	-	3,610
Grant income	729	32,905	33,634	-	13,590	13,590
Membership fees	5,865	-	5,865	7,777	-	7,777
	<u>14,114</u>	<u>37,725</u>	<u>51,839</u>	<u>11,387</u>	<u>13,590</u>	<u>24,977</u>
Donations and gifts						
Other	7,520	4,820	12,340	3,610	-	3,610
	<u>7,520</u>	<u>4,820</u>	<u>12,340</u>	<u>3,610</u>	<u>-</u>	<u>3,610</u>
Grants receivable for core activities						
Other	729	32,905	33,634	-	13,590	13,590
	<u>729</u>	<u>32,905</u>	<u>33,634</u>	<u>-</u>	<u>13,590</u>	<u>13,590</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020 £	2019 £
<i>Legal Action</i> magazine sales	146,027	157,435
Book sales	307,997	363,963
Courses income	33,150	73,294
	<u>487,174</u>	<u>594,692</u>

5 Investments

	Unrestricted funds	Total
	2020 £	2019 £
Interest receivable	13	-
	<u>13</u>	<u>-</u>

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
<u>Fundraising and publicity</u>		
Other fundraising costs	430	738
	<u>430</u>	<u>738</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	Publication & courses 2020 £	Policy & educational work 2020 £	Total 2020 £	Publication & courses 2019 £	Policy & educational work 2019 £	Total 2019 £
Staff costs	191,017	2,952	193,969	176,653	619	177,272
Depreciation	-	1,495	1,495	-	1,020	1,020
Other direct costs	205,712	15,356	221,068	245,262	37,826	283,088
	<u>396,729</u>	<u>19,803</u>	<u>416,532</u>	<u>421,915</u>	<u>39,465</u>	<u>461,380</u>
Share of support costs (see note 8)	22,939	9,587	32,526	40,619	7,376	47,995
Share of governance costs (see note 8)	56,814	-	56,814	53,887	-	53,887
	<u>476,482</u>	<u>29,390</u>	<u>505,872</u>	<u>516,421</u>	<u>46,841</u>	<u>563,262</u>
Analysis by fund						
Unrestricted funds	476,482	10,602	487,084	516,421	8,396	524,817
Restricted funds	-	18,788	18,788	-	38,445	38,445
	<u>476,482</u>	<u>29,390</u>	<u>505,872</u>	<u>516,421</u>	<u>46,841</u>	<u>563,262</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	-	49,164	49,164	-	46,109	46,109
Office costs	7,876	-	7,876	20,900	-	20,900
Telephone	455	-	455	697	-	697
Postage and stationery	767	-	767	589	-	589
Computer support costs	3,390	-	3,390	3,467	-	3,467
Bank charges	1,677	-	1,677	2,524	-	2,524
Sundry expenses	12,991	-	12,991	17,201	-	17,201
Membership costs	1,036	-	1,036	1,883	-	1,883
Bad debt write off	4,334	-	4,334	734	-	734
Audit fees	-	7,650	7,650	-	7,700	7,700
Cost of meetings	-	-	-	-	78	78
	<u>32,526</u>	<u>56,814</u>	<u>89,340</u>	<u>47,995</u>	<u>53,887</u>	<u>101,882</u>
Analysed between						
Charitable activities	<u>32,526</u>	<u>56,814</u>	<u>89,340</u>	<u>47,995</u>	<u>53,887</u>	<u>101,882</u>

Governance costs includes payments to the auditors of £7,650 (2019 - £7,700) for audit fees.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration	3	3
Publishing	1	2
Editorial	2	2
	<u>6</u>	<u>7</u>

Employment costs

	2020 £	2019 £
Wages and salaries	211,108	193,660
Social security costs	17,494	16,283
Other pension costs	14,531	13,438
	<u>243,133</u>	<u>223,381</u>

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

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2020	9,020
Additions	2,825
Disposals	(5,000)
At 31 December 2020	<u>6,845</u>
Depreciation and impairment	
At 1 January 2020	7,804
Depreciation charged in the year	1,495
Eliminated in respect of disposals	(5,000)
At 31 December 2020	<u>4,299</u>
Carrying amount	
At 31 December 2020	<u>2,546</u>
At 31 December 2019	<u>1,216</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Stocks

	2020 £	2019 £
Finished goods and goods for resale	62,561	83,686

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	85,839	98,966
Other debtors	257	10,809
Prepayments and accrued income	12,944	16,075
	99,040	125,850

14 Loans and overdrafts

	2020 £	2019 £
Bank loans	50,000	-
Payable after one year	50,000	-

15 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Other taxation and social security		8,388	5,544
Deferred income	17	52,186	57,158
Trade creditors		30,019	50,337
Accruals		22,708	39,108
		113,301	152,147

16 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	14	50,000	-
Deferred income	17	1,287	4,117
		51,287	4,117

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Deferred income

	2020 £	2019 £
Arising from deferred membership subscriptions and course fees	53,473	61,275

Deferred income is included in the financial statements as follows:

	2020 £	2019 £
Current liabilities	52,186	57,158
Non-current liabilities	1,287	4,117
	53,473	61,275

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

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

	Balance at 1 January 2019	Movement in funds		Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£
Housing Disrepair Project (TFL)	5,105	-	(1,332)	3,773	-	(3,773)	-
Brenda Hale Book Project	28,860	550	(24,099)	5,311	2,874	(4,225)	3,960
Employment Law MyPay Project	4,815	-	(4,815)	-	-	-	-
LEF Digitisation Grant	1,474	-	(1,474)	-	-	-	-
LEF Red Pencil Grant	-	6,540	(3,200)	3,340	-	(2,250)	1,090
Garden Court Special Fund	-	3,000	(3,000)	-	-	-	-
Access to Justice Fund - MyPay	-	3,500	(525)	2,975	-	(1,009)	1,966
Trust for London Covid-19 Grant	-	-	-	-	7,905	(7,905)	-
Leicester Law Society	-	-	-	-	594	-	594
LEF Sustainability Grant	-	-	-	-	25,000	-	25,000
Lockdown Lawyers Project	-	-	-	-	1,352	(1,352)	-
	40,254	13,590	(38,445)	15,399	37,725	(20,514)	32,610

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

18 Restricted funds

(Continued)

The Housing Disrepair project is funded from Trust for London.

The Brenda Hale book project is funded from donations and a grant from Sigrid Rausing Trust. The book about Brenda Hale's life will be published in the autumn.

The Employment Law project is mainly funded by a grant from the Trust for London with most of the work done in 2018. There are some residual costs in 2019.

A series of grants connected to the implementation of LAG's digital first strategy have been awarded by The Legal Education Foundation. The first phase of this project, which involved business planning and the replacement of hardware and software, was completed in 2017 and the second phase, is nearly finished regarding the transfer of published content to an online service. There will be some residual costs in 2019.

The LEF Red Pencil grant is to fund marketing for the sale of the Brenda Hale book.

The Garden Court Fund was given to help promote the 70th anniversary of Legal Aid through a conference and LA magazine articles.

The Access to Justice Fund is being used to consolidate the MyPay project which is an interactive Employment Law online tool to help the public access advice regarding employment problem.

The Trust for London Covid-19 grant is funding to help with any Covid-19 related additional expenditure.

Leicester Law society - this is funding to cover the costs of distribution of Equal to Everything (Brenda Hale book) to schools in Leicester in 2021.

The LEF Sustainability grant is a grant to help LAG's sustainability.

Lockdown Lawyers was a LAG publication but funded from donations from Jon Whitfield QC and Doughty Street Chambers.

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Tangible assets	2,546	-	2,546	1,216	-	1,216
Current assets/ (liabilities)	157,354	32,010	157,354	63,391	15,399	78,790
Long term liabilities	(51,287)	-	(51,287)	(4,117)	-	(4,117)
	<u>108,613</u>	<u>32,010</u>	<u>108,613</u>	<u>60,490</u>	<u>15,399</u>	<u>75,889</u>

20 Operating lease commitments

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

	2020	2019
	£	£
Within one year	<u>-</u>	<u>1,833</u>

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	<u>102,030</u>	<u>89,617</u>

L.A.G. EDUCATION AND SERVICE TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

23	Cash generated from operations	2020	2019
		£	£
	Surplus for the year	32,724	55,669
	Adjustments for:		
	Investment income recognised in statement of financial activities	(13)	-
	Depreciation and impairment of tangible fixed assets	1,495	1,020
	Movements in working capital:		
	Decrease/(increase) in stocks	21,125	(19,993)
	Decrease/(increase) in debtors	26,810	(38,081)
	(Decrease)/increase in creditors	(33,874)	6,114
	(Decrease) in deferred income	(7,802)	(17,187)
	Cash generated from/(absorbed by) operations	40,465	(12,458)
24	Analysis of changes in net funds	At 1 January 2020	Cash flows At 31 December 2020
		£	£
	Cash at bank and in hand	21,401	87,653
	Loans falling due after more than one year	-	(50,000)
		<u>21,401</u>	<u>37,653</u>
		<u>21,401</u>	<u>59,054</u>