

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**

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<b>Trustees</b>	Julian Allen Dr Laura Janes (Chair) Sonia Kalsi Oliver Rivers (Treasurer) Russell Conway Angela Patrick Heather Thomas
<b>Secretary</b>	Mr O Rivers
<b>Charity number</b>	265703
<b>Company number</b>	01095065
<b>Principal address</b>	2nd Floor Gatehouse Chambers 1 Lady Hale Gate London WC1X 8BS
<b>Registered office</b>	2nd Floor Gatehouse Chambers 1 Lady Hale Gate London WC1X 8BS
<b>Auditor</b>	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**

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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**

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### **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**

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#### *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**

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### *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**

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#### **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**

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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**

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### **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.

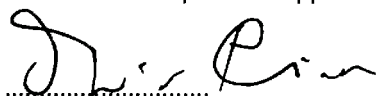
### **Auditor**

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.



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**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**

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#### **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**

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#### **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**

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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**

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#### **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 £
<b><u>Income from:</u></b>							
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
<b>Total income</b>		<b>525,514</b>	<b>43,107</b>	<b>568,621</b>	<b>501,301</b>	<b>37,725</b>	<b>539,026</b>
<b><u>Expenditure on:</u></b>							
Raising funds	6	-	-	-	430	-	430
Charitable activities	7	492,685	72,067	564,752	487,084	18,788	505,872
<b>Total resources expended</b>		<b>492,685</b>	<b>72,067</b>	<b>564,752</b>	<b>487,514</b>	<b>18,788</b>	<b>506,302</b>
Gross transfers between funds		-	-	-	1,726	(1,726)	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>32,829</b>	<b>(28,960)</b>	<b>3,869</b>	<b>15,513</b>	<b>17,211</b>	<b>32,724</b>
Fund balances at 1 January 2021		76,003	32,610	108,613	60,490	15,399	75,889
<b>Fund balances at 31 December 2021</b>		<b>108,832</b>	<b>3,650</b>	<b>112,482</b>	<b>76,003</b>	<b>32,610</b>	<b>108,613</b>

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.



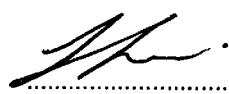
# L.A.G. EDUCATION AND SERVICE TRUST LIMITED

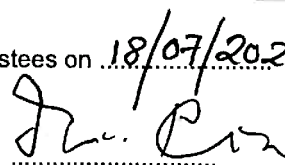
## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	11		5,979		2,546
<b>Current assets</b>					
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>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(130,740)</u>		<u>(113,301)</u>	
Net current assets			141,339		157,354
<b>Total assets less current liabilities</b>			147,318		159,900
<b>Creditors: amounts falling due after more than one year</b>	16		(34,836)		(51,287)
<b>Net assets</b>			<u>112,482</u>		<u>108,613</u>
<b>Income funds</b>					
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 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	22		(12,007)		40,465
<b>Investing activities</b>					
Purchase of tangible fixed assets		(4,739)		(2,825)	
Interest received		39		13	
<b>Net cash used in investing activities</b>			(4,700)		(2,812)
<b>Financing activities</b>					
Proceeds of new bank loans		-		50,000	
Repayment of bank loans		(5,518)		-	
<b>Net cash (used in)/generated from financing activities</b>			(5,518)		50,000
<b>Net (decrease)/increase in cash and cash equivalents</b>			(22,225)		87,653
Cash and cash equivalents at beginning of year			109,054		21,401
<b>Cash and cash equivalents at end of year</b>			86,829		109,054

# **L.A.G. EDUCATION AND SERVICE TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **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
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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 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***

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### **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>
<b>Donations and gifts</b>	<b>3,176</b>	<b>-</b>	<b>3,176</b>	<b>7,520</b>	<b>4,820</b>	<b>12,340</b>
<b>Other</b>	<b>3,176</b>	<b>-</b>	<b>3,176</b>	<b>7,520</b>	<b>4,820</b>	<b>12,340</b>
<b>Grants receivable for core activities</b>	<b>-</b>	<b>41,107</b>	<b>41,107</b>	<b>729</b>	<b>32,905</b>	<b>33,634</b>
<b>Other</b>	<b>-</b>	<b>41,107</b>	<b>41,107</b>	<b>729</b>	<b>32,905</b>	<b>33,634</b>

# 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>
<b>Analysis by fund</b>					
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 £
<b>Cost</b>	
At 1 January 2021	6,845
Additions	4,739
At 31 December 2021	<u>11,584</u>
<b>Depreciation and impairment</b>	
At 1 January 2021	4,299
Depreciation charged in the year	1,306
At 31 December 2021	<u>5,605</u>
<b>Carrying amount</b>	
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 £
<b>Amounts falling due within one year:</b>		
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**

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### **17 Deferred income**

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

Deferred income is included in the financial statements as follows:

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

# 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
	Incoming resources	Resources expended	£	Incoming resources	Resources expended	£	1 January 2020
	£	£	£	£	£	£	£
Housing Disrepair Project (TFL)	-	(3,773)	3,773	-	-	-	-
Brenda Hale Book Project	2,874	(4,225)	5,311	-	-	3,960	-
LEF Red Pencil Grant	-	(2,250)	3,340	-	-	1,090	-
Access to Justice Fund - MyPay	-	(1,009)	2,975	-	-	1,966	1,090
Trust for London Covid-19 Grant	7,905	(7,905)	-	-	-	-	1,966
Leicester Law Society	594	-	-	-	-	594	-
LEF Sustainability Grant	25,000	-	-	25,000	(50,000)	-	594
Lockdown Lawyers Project	1,352	(1,352)	-	-	-	-	-
Therium Grant	-	-	-	16,107	(16,107)	-	-
Housing Conference	-	-	-	2,000	(2,000)	-	-
	37,725	(20,514)	15,399	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)
<b>Cash (absorbed by)/generated from operations</b>	<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**

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**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>