

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

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 7
Independent Examiner's Report	8 to 9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Statement of Cash Flows	13
Notes to the Financial Statements	14 to 24

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 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 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.

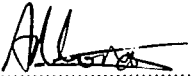
Auditor

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 ORB

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:

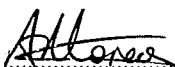
- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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)
		(37,518)	5,136
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	5,682	(9,798)
Net cash flows from operating activities		(27,779)	(12,006)
Cash flows from investing activities			
Interest received		9	39
Acquisitions of tangible assets		(686)	(4,739)
Net cash flows from investing activities		(677)	(4,700)
Cash flows from financing activities			
Repayment of bank borrowings		(9,647)	(5,518)
Net decrease in cash and cash equivalents		(38,103)	(22,224)
Cash and cash equivalents at 1 January		86,830	109,054
Cash and cash equivalents at 31 December		48,727	86,830

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	686	686
At 31 December 2022	9,211	9,211
Depreciation		
At 1 January 2022	2,546	2,546
Charge for the year	2,873	2,873
At 31 December 2022	5,419	5,419
Net book value		
At 31 December 2022	3,792	3,792
At 31 December 2021	5,979	5,979

12 Stock

	2022 £	2021 £
Stocks	71,995	79,260

13 Debtors

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

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>