

Company registration number: 01095065

Charity registration number: 265703

L.A.G. Education and Service Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

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

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L.A.G. Education and Service Trust Limited

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L.A.G. Education and Service Trust Limited

Reference and Administrative Details

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

L.A.G. Education and Service Trust Limited

Trustees' Report

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1.1 of the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

LAG's charitable objectives:

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

Vision and mission

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

Our vision is access to justice for all.

Our mission is:

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

Our values are:

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

Strategic plan 2022–25

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

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

Our strategic aims are to:

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

L.A.G. Education and Service Trust Limited

Trustees' Report

We plan to do this by:

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

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

We plan to:

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

3. Build a sustainable infrastructure to deliver our mission

We plan to:

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

Public benefit

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

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

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

Achievements and performance

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

L.A.G. Education and Service Trust Limited

Trustees' Report

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

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

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

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

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

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

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

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

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

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

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

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

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

L.A.G. Education and Service Trust Limited

Trustees' Report

Plans for the future

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

Financial review

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

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

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

Reserves policy

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

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

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

Risk management

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

Structure, governance and management

Governing document

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

L.A.G. Education and Service Trust Limited

Trustees' Report

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

Trustees and officers

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

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

Appointment of trustees

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

Organisational structure and decision making

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

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

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

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

Statement of trustees' responsibilities

The trustees (who are also the directors of L.A.G. Education and Service Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

L.A.G. Education and Service Trust Limited

Trustees' Report

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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



Adriano Moraes
Trustee

L.A.G. Education and Service Trust Limited

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

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

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

Responsibilities and basis of report

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

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

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

Independent examiner's statement

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

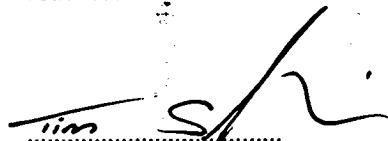
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

L.A.G. Education and Service Trust Limited

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

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



Tim Sullivan FCA
ICAEW

9 Hare & Billet Road
Blackheath
SE3 0RB

14/8/2024

L.A.G. Education and Service Trust Limited

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

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

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

The funds breakdown for 2022 is shown in note 18.

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

L.A.G. Education and Service Trust Limited

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

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

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

Directors' responsibilities:

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

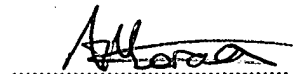
The notes on pages 13 to 23 form an integral part of these financial statements.

L.A.G. Education and Service Trust Limited

(Registration number: 01095065)

Balance Sheet as at 31 December 2023

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



Adriano Moraes
Trustee

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

L.A.G. Education and Service Trust Limited

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

1 Charity status

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

The address of its registered office is:

2nd Floor

Gatehouse Chambers

1 Lady Hale Gate

WC1X 8BS

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

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

Judgements and key sources of estimation uncertainty

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

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

L.A.G. Education and Service Trust Limited

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

Going concern

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

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

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

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

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

Income and endowments

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

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

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

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

Deferred income

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

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

L.A.G. Education and Service Trust Limited

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

Expenditure

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

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

Governance costs

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

Taxation

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

Tangible fixed assets

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

Depreciation and amortisation

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

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

Stock

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

L.A.G. Education and Service Trust Limited

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

Trade debtors

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

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

Cash and cash equivalents

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

Trade creditors

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

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

Borrowings

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

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

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

Provisions

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

Fund structure

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

L.A.G. Education and Service Trust Limited

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

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

Pensions and other post retirement obligations

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

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

3 Income from donations and legacies

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

4 Income from charitable activities

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

5 Investment income

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

L.A.G. Education and Service Trust Limited

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

6 Expenditure on charitable activities

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

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

7 Analysis of governance and support costs

Support costs

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

L.A.G. Education and Service Trust Limited

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

8 Trustees remuneration and expenses

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

9 Taxation

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

10 Staff costs

The aggregate payroll costs were as follows:

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

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

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

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

11 Related party transactions

There were no related party transactions in the year.

L.A.G. Education and Service Trust Limited

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

12 Tangible fixed assets

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

13 Stock

	2023 £	2022 £
Stocks	47,478	71,995

14 Debtors

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

L.A.G. Education and Service Trust Limited

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

15 Creditors: amounts falling due within one year

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

16 Creditors: amounts falling due after one year

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

17 Provisions

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

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

L.A.G. Education and Service Trust Limited

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

18 Funds

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

L.A.G. Education and Service Trust Limited

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

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

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

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

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

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

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

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

19 Analysis of net assets between funds

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