

# Report and financial statements For the year ended 31 March 2021



Company number: 1302947  
Charity number: 268468

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Reference and administrative information

For the year ended 31 March 2021

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Company number 1302947

Charity number 268468

Registered office and operational address 38 Devonian Road, London, N1 8JH

**Members of the board** Members, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marian Ellingworth Chair

Susan Lee

Onika Adams

Jemima Joll

Lindsay Edkins

Michael Collins

Paul Lowenberg

Russell Smith-Becker

Jemima Joll

Steven Lorber Appointed 8 March 2021

Paula Alessandro Resigned 20 July 2020

**Key management personnel** Stuart Hearne Director  
Matthew Brown Deputy Director

**Bankers** Lloyds Bank  
Highbury Corner  
31-33 Holloway Road  
London  
N7 8JU

Reference and administrative information

For the year ended 31 March 2021

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<b>Solicitors</b>	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

## Trustees' annual report

### For the year ended 31 March 2021

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The Trustees present their report and the audited financial statements for the year ended 31 March 2021.

No employee earned more than £60,000 during the year (2020: nil).

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Objectives and activities

### Purposes and aims

The Trustees review the aims, objectives and activities of the charity each year at a planning session. Following a review, the charity's articles of association were fully updated on 9 December 2019 and the objects were set out as follows:

- (a) The relief of poverty amongst persons resident or working in England and Wales in particular the London Borough of Islington and the surrounding area by providing such persons with legal advice services and representation which they could not otherwise obtain or which it would not be reasonably practicable or appropriate for them to obtain elsewhere; including by the provision of legal advice services and representation to help migrants, refugees and asylum seekers to take steps towards the regularization of immigration status where appropriate;
- (b) To advance the education of the public in the law of England and Wales and the application thereof

The Law Centre has established a range of services in furtherance of these aims, which have been carried out during the year in question.

The review also helps the Trustee Board ensure the charity's aims, objectives and activities remained focused on its stated purposes. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help.

Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, they consider how planned activities will contribute to the aims and objectives that have been set.

## Organisational Structure

The Charity has an active Trustee Board, which meets at least 6 times a year. During the course of the year, the Trustee Board reviewed its terms of reference and governance procedures and made some changes to ensure that the entire Trustee board was involved in shaping the direction of the work.

### Staff team

The Charity employs a team that includes: –

Director and Deputy Director

Supervisors (including solicitors) – 8 covering all areas of the Law Centre's work

Solicitors – 15

Caseworkers – 10

Paralegals – 2

Reception and Referral team – 2

Interim Office Manager – 1

## Achievements and performance

The charity's main activities and who we assist are described below. The Law Centre is focused on assisting people to overcome the effects of poverty and inequality. All its charitable activities focus on people on low incomes and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

### Primary activities include: –

- An open-door reception and referral service available 5 days a week to help people identify the key legal issues they are facing and to link them with appropriate support (both within the organisation and via other agencies)
- Specialist casework teams in debt, education, housing, immigration/asylum, public law and welfare benefits.
- An outreach programme delivering **15 specialist legal advice sessions each week**, normally based in front line services and community venues, but mostly operating remotely at the moment
- A pro bono programme which includes **3 evening advice sessions each week**, providing direct assistance with the help of volunteer lawyers, as well as other pro bono activity linked to specific projects and other casework teams
- **Specialist projects** focussing on target client groups – the Migrants' Law Project (MLP) and the Migrant and Refugee Children's Legal Unit (MiCLU).



£1 million+  
recouped in  
welfare  
benefits for  
clients

All areas of the charity's activities have been well used by clients and have made an impact during the year.



3349 cases & enquiries  
worked on in  
2020/2021

### The Covid 19 Pandemic

The Law Centre had in place a business continuity plan which assisted in the move to remote working which took place on 20 March 2020. **All services have continued to be provided by the Law Centre throughout the pandemic** with most services being provided by telephone or zoom. All the existing outreach services have continued with the same level of support provided to clients but provided through remote working. No staff were furloughed during the pandemic.

We would like to thank our partners in the Islington Strategic Advice Partners, particularly Islington People's Rights, Help on Your Doorstep, Citizen's Advice, Cripplegate Foundation, Cloudesley and Islington Council for all of the work that has been done to help us to come together during the pandemic to work to ensure that services across the Borough have worked to meet the needs of the community during this difficult time.

Throughout the pandemic we have continued to work closely with the Islington Coronavirus Response Forum and one of the most positive aspects of this very difficult situation for so many people is the way that all of the statutory and voluntary organisations across Islington have come together to work to help to support the residents of Islington and adjoining Boroughs.

As we have come out of lockdown we are resuming **more face-to-face appointments with clients** in the office– with appropriate precautions in place. Many staff have also returned to working some days in the office, especially when they need to meet clients or to have team meetings. We have instigated a rota system so that the rooms are not overcrowded and so that staff can safely distance.

### Reception and Referral Service

In the year 2020/21, the service dealt with 5857 enquiries, of which **2,762 came from people contacting the Law Centre for the first time.** Reception has now begun to be staffed in-person again, rather than remotely.

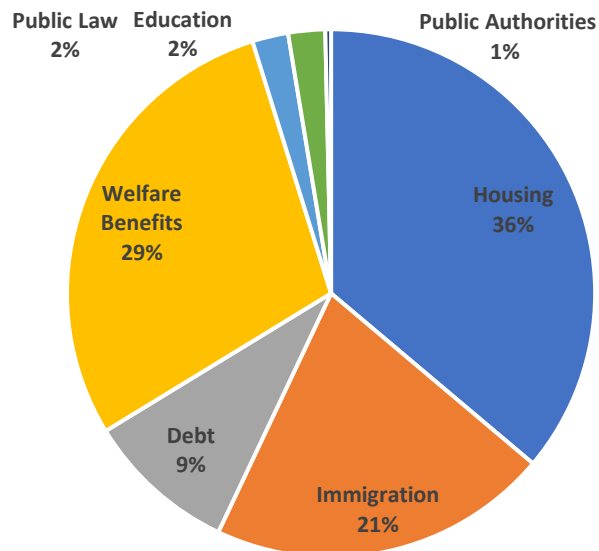


5857  
enquiries

The Law Centre has undertaken work to improve the reception and interview facilities for clients and staff. The upgraded facilities provide **a welcoming and professional environment** in which our clients can feel assured that they are receiving the very best service.

## Casework, advocacy and representation

The Law Centre worked on **3,349** cases during the year, including –



Housing – 1210  
Welfare Benefits – 968  
Immigration – 699  
Debt – 310  
Education – 74  
Public Law – 76  
Claims Against Public Authorities – 12

We also managed **the Clerkenwell and Shoreditch County Court Possession Duty scheme**, continuing to provide a vital and urgent service to tenants and borrowers facing possession proceedings and eviction.

There were significant casework successes in all areas of law, with a reduction in poverty as a result of increased household income, lower indebtedness, as well as improvements in clients' housing, employment and educational situations and resolution of immigration status.

The Law Centre also undertook both legal education and social policy work – for example **providing training to local community organisations** and responding to government consultations.

### Case study– Prisha

Prisha has been an Islington resident for 17 years. A year ago she made an appointment with her GP for mental health issues. She was getting letters from creditors for historic debts, and this compounded the mental health issues that she was experiencing. The GP referred Prisha to Age UK, who then referred on to ILC. Prisha met Shabnam at ILC, who helped Prisha to apply for a debt relief order. In the middle of this Prisha's Personal Independence Payments (PIP) stopped and Shabnam recommended Gail at ILC to help with the PIP. Thankfully, following Gail's work on the case, Prisha's PIP was reinstated, and she ended up getting £90 more per week than she had been at the beginning.

Prisha says;

*"I was really appreciative, I didn't know of anywhere else to go. I don't have any family in London, I wouldn't of known what to do. Thanks to Shabnam I don't get letters from creditors anymore. They've been brilliant– those two ladies went above and beyond. They offered me an ear, that was really really nice. They didn't have to show empathy, but they did on lots of occasions. They've meant that I can sleep at night. Now there's light at the end of the tunnel."*



## Outreach

The welfare benefits team have continued to operate their form filling clinic and the ILC core immigration team have continued to offer weekly remote advice sessions to clients from Hackney Migrant Centre and Haringey Migrants' Support Centre and had 63 advice appointments in the past year.

Specialist Advisors also delivered remote outreach advice via Help on Your Doorstep, Islington Bangladesh Association and Community Language Support Services. These sessions enable the Law Centre to **meet the needs of people who may not have been able to access mainstream provision** and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.



63  
Immigration  
outreach  
appointments

## Pro bono activity

The Law Centre continued to run **three evening advice sessions each week**, with volunteer lawyers providing initial advice and assistance in drafting documents. The service involves teams of pro bono lawyers from seven City law firms and in-house teams and has assisted clients with issues such as reclaiming deposits from landlords, Criminal Injuries Compensation and small claims proceedings. The pro bono evening clinics had 685 appointments during the year.



685  
pro bono  
appointments

The Law Centre has also worked been able to sustain a pro bono immigration project, working with law students and two City law firms. The Law Centre is a London partner in a new initiative led by Central England Law Centre and Kids in Need of Defence UK, which works with children and young people to secure pro bono legal assistance around issues of immigration status.

## Specialist projects

The Law Centre's specialist projects had a highly successful year with not only a range of casework successes but also wider impact on behalf of vulnerable groups.

**The Migrants' Law Project (MLP)** has had a significant success this year– they represented Safe Passage International in a successful legal challenge to Home Office policy on deciding family reunion applications under the EU's rules. The High Court found that the policies were unlawful

and misstated the law in significant ways. They continue to work on many family reunion cases as well as co-ordinating legal strategy and public legal education.

**The Migrant and Children's Refugee Legal Unit (MiCLU)** has continued with their 'Breaking the Chains' project in partnership with Shpresa Programme, a charity and refugee community group working with the Albanian speaking community in London. The legal team provide critical legal work, policy advocacy and immigration training in conjunction with the Shpresa team, supported by lawyers at Garden Court and a wider network of volunteers and associated organisations, working collaboratively with the young people involved. The Kids in Need of Defence (KiND UK) project also continues– providing training, mentoring and supervision to pro bono partners assisting children who have lived in the UK for 7 years or more to regularise their status in the UK. They hold a 100% success rate to date for their applications.



100%  
success rate  
for KiND  
applications

## Changes in the organisation's infrastructure

Following an extensive internal review, the Law Centre has moved to improve our accounting and finance functions and to address an underlying deficit in the organisation's day to day finances. This review and the action taken have led to a strengthening of the organisation's financial position during the year. We have put in place improved financial arrangements and have moved to a new cloud-based accounting system. In addition, we have **improved the IT facilities** at the Law Centre by moving to a new cloud-based case management system and have upgraded the organisation's IT hardware along with a move to Office 365.

This improvement in the foundation of the Law Centre should build in increased resilience into the organisation and enable us to assist clients in a professional manner into the future. These changes also assisted the organisation to deal with effects of Covid 19 and to make it easier for us to move to remote working following the Government's Lockdown.

The Law Centre holds the Law Society's **Lexcel Quality Standard** and was re-awarded this following a full reassessment in April 2021.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on tackling poverty and improving access to justice and are undertaken to further Islington Law Centre's charitable purposes for the public benefit.

## Beneficiaries of our services

The Law Centre works with low-income clients, who are often facing extreme hardship. The majority of clients are women (around 60%) and a large proportion are from black and minority ethnic communities.

Clients increasingly have legal issues that involve more than one matter, or one area of law, and over the last couple of years there has been a sustained increase in the percentage of welfare benefits clients who require assistance with an appeal.

For the Law Centre as a whole, over 70% of our clients have some form of ill-health or disability.



Over 70% of  
our clients have  
some form of  
ill-health/  
disability

Beneficiaries can self-refer, or are referred or signposted from other agencies, and a number of referrals are received from mental health professionals, as well as community organisations, children's centres and the local authority.

Clients are asked about their experience of the service via a questionnaire, as well as contacting us independently with feedback, and over 95% of clients say they are satisfied or very satisfied. Clients frequently comment on the impact that the service has had on them, not only in terms of their legal issues, but wider access to justice and health, wellbeing and quality of life.

*"This is the best solicitors, they fight for you and ensure you have a better and happier life"*

*"without the help of the Law Centre I'd have been stuck. Megan is brilliant- she is a diamond an absolute diamond, I'd be lost without her.*

*They know what they're doing- people like us who don't know how to deal with the DWP, it's so great to have their help and knowledge. They're so very very supportive"*

*"After about a year of seeing Juliane all of a sudden I was granted indefinite leave to remain. I'm on UC at the moment due to my mental health issues, and I've applied for PIP. Now everything is going well and it is all thanks to Juliane. And it was all for free at the Law Centre- if I'd had thousands of pounds I don't think I'd have got anyone as good as Juliane"*

## Financial review

The Law Centre has undertaken considerable work in recent years to strengthen its foundations. This has included improving our financial accounting systems, reducing our expenditure and improving our income. We have also undertaken work to improve our billing procedures in regard to our legal aid income. This work has resulted in improved internal systems and has increased the Law Centre's resilience and has given us a stronger structure. As a result of this improved performance we are now building some reserves and are in a better place to deal with any financial issues that we may face in the future.

Our income for the year increased to £2,277,336 with expenditure of £1,607,513. We have managed to increase our unrestricted funds less work in progress to £569,260 and our overall funds to £1,313,588.

The Trustees have taken this action to build unrestricted income and reserves and to ensure that the organisation has between 3 and six months reserves at any one time.

## Principal risks and uncertainties

This is an extremely difficult time for specialist legal advice charities. Legal Aid is not available for many of the legal issues for which the Law Centre's clients are seeking help, and Legal Aid rates have been frozen for many years, which has led to a significant reduction in other sources of assistance for our beneficiary group.

The primary risks to the organisation are loss of key management and other personnel and risks associated with running legal aid contracts. We are managing these risks by having brought in a Deputy Director to expand the senior management team and by employing a Director with a solid track record in managing legal aid contracts over many years.

There is increasing competition for funding from Trusts and Foundations, and many of these funds are targeted at discrete client groups and/or areas of work, rather than "open door" services.

The Government is undertaking a review of the impact of LASPO (Legal Aid and the Sentencing and Punishment of Offenders act), and we have participated in this with a view to highlighting the significant levels of unmet need and the potential for legal aid to assist in reducing the need for other services.

We expect that the increase in poverty, and in particular child poverty and in-work poverty, combined with the reduction in the amount of Universal Credit, will increase demand for our services further over the coming period. We are also preparing for an increased need for our services as we come out of the pandemic with the end of the furlough scheme and the ending of the stay on possessions and evictions. The community is also seeing and increase in fuel costs

and a squeeze on household budgets along with an increase in national Insurance coming in next year – all of which disproportionately affect those on lower incomes.

## Reserves policy and going concern

The Trustees are committed to ensuring reserves are between three months' and six month's normal running costs. The free reserves (unrestricted general funds less unrestricted fixed assets) at the year-end were £184,037.

Trustees closely monitor the level of reserves and are committed to ensuring that the reserves are at least three months of normal running costs in order to enable the organisation to meet operational cash flow needs, be flexible enough to manage changes in funding streams and to meet staff costs in the event of long term sickness, maternity leave and/or redundancy.

## Fundraising

The Law Centre has increased the capacity of the Senior Management Team so that there is a greater level of focus on fundraising, and is adopting a new fundraising strategy.

Fundraising activity undertaken by the Law Centre currently includes the preparation and submission of applications to a range of Trusts and Foundations, and this is undertaken by paid staff and often in conjunction with other partner agencies and networks.

The Law Centre has participated in events organised by the London Legal Support Trust, such as an annual sponsored walk and has received donations from corporate law firms, individuals and Trusts.

The Law Centre's fundraising aims are to sustain and enhance existing services, and to build on these to meet new and/or additional needs, and to improve accessibility to those in greatest need.

The Law Centre has not engaged professional fundraisers or commercial participators, and has not undertaken activities which involve targeting members of the general public. It has not received any complaints in relation to fundraising activities nor has it acted in breach of any relevant codes.

## Plans for the future

The Law Centre is committed to continuing to work for access to justice, and to ensuring a solid financial base for its services.

The Law Centre was awarded new Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law.

In 2021/22, our aims include increasing the levels of publicly funded work that we do, thus increasing our percentage of unrestricted income, and to seek additional funds to enable us to respond to local needs, whilst retaining our strategic work and impact.

It is a priority for Trustees to seek to increase the level of unrestricted reserves held by the Law Centre in order to rebuild a solid financial foundation for the future.

## Structure, governance and management

The organisation is a charitable company limited by guarantee, it was founded in 1973 and incorporated on 16 March 1977 and registered as a charity on 23 November 1977.

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. All members of the board give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 7 to the accounts.

## Appointment of trustees

The Law Centre has a full Trustee Board having brought in new Trustees in the recent past.

## Trustee induction and training

New Trustees receive an induction pack (which includes, for example, our safeguarding and other similar policies) and are invited to attend various training courses.

Bespoke training is also provided for Trustees as a group from time to time.

## Statement of responsibilities of the trustees

The Trustees (who are also directors of Islington Law Centre for the purposes of company law) are responsible for preparing the Trustees' annual 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently

## Trustees' annual report

For the year ended 31 March 2021

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- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustee Board is responsible for keeping adequate accounting records that 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. The Trustees are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee Board is aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

## Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been approved by the trustees on 22 November 2021 and signed on their behalf by

Marian Ellingworth  
Chair of the Trustees

## Independent auditor's report

To the members of

Islington Law Centre

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Independent auditor's report to the members of Islington Law Centre

### Opinion

We have audited the financial statements of Islington Law Centre (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Islington Law Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



## Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual 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 directors 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' annual report and from the requirement to prepare a strategic report.

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

## Independent auditor's report

### To the members of

#### Islington Law Centre

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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 charitable company'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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

## Independent auditor's report

To the members of

Islington Law Centre

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- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

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

Noelia Serrano (Senior statutory auditor)

8 December 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

## Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	81,053	200,000	281,053	90,569	-	90,569
Charitable activities	3						
General social welfare and core services		368,045	992,108	1,360,153	293,699	914,033	1,207,732
Migrant and Refugee Children's Legal Unit		32,668	261,978	294,646	41,340	190,141	231,481
Migrants' Law Project		182,366	159,118	341,484	104,577	125,000	229,577
<b>Total income</b>		<b>664,132</b>	<b>1,613,204</b>	<b>2,277,336</b>	<b>530,185</b>	<b>1,229,174</b>	<b>1,759,359</b>
<b>Expenditure on:</b>							
Charitable activities	5a						
General social welfare and core services		103,414	1,002,380	1,105,794	124,703	1,011,388	1,136,091
Migrant and Refugee Children's Legal Unit		11,123	286,580	297,703	14,789	210,705	225,494
Migrants' Law Project		42,862	161,154	204,016	30,177	181,067	211,244
<b>Total expenditure</b>		<b>157,399</b>	<b>1,450,114</b>	<b>1,607,513</b>	<b>169,669</b>	<b>1,403,160</b>	<b>1,572,829</b>
<b>Net income / (expenditure) for the year</b>	6	<b>506,733</b>	<b>163,090</b>	<b>669,823</b>	<b>360,516</b>	<b>(173,986)</b>	<b>186,530</b>
Transfers between funds		(2,036)	2,036	-	(84,451)	84,451	-
<b>Net movement in funds</b>		<b>504,697</b>	<b>165,126</b>	<b>669,823</b>	<b>276,065</b>	<b>(89,535)</b>	<b>186,530</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		506,001	137,764	643,765	229,936	227,299	457,235
<b>Total funds carried forward</b>		<b>1,010,698</b>	<b>302,890</b>	<b>1,313,588</b>	<b>506,001</b>	<b>137,764</b>	<b>643,765</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2021

	Note	£	2021 £	£	2020 £
<b>Fixed assets:</b>					
Tangible assets	10		<b>101,074</b>		21,212
			<b>101,074</b>		21,212
<b>Current assets:</b>					
Stock	11	<b>441,438</b>		356,885	
Debtors	12	<b>348,322</b>		259,870	
Cash at bank and in hand		<b>580,176</b>		212,062	
		<b>1,369,936</b>		828,817	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	<b>(157,422)</b>		(193,752)	
<b>Net current assets</b>			<b>1,212,514</b>		635,065
<b>Total assets less current liabilities</b>			<b>1,313,588</b>		656,277
Creditors: amounts falling due after one year	15		-		(12,512)
<b>Total net assets</b>			<b>1,313,588</b>		643,765
<b>The funds of the charity:</b>	17a				
Restricted income funds			<b>302,890</b>		137,764
Unrestricted income funds:					
Designated funds		<b>725,587</b>		146,681	
General funds		<b>285,111</b>		359,320	
Total unrestricted funds			<b>1,010,698</b>		506,001
<b>Total charity funds</b>			<b>1,313,588</b>		643,765

Approved by the management committee on 22 November 2021 and signed on their behalf by

Marian Ellingworth  
Chair

## Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
<b>Net cash provided by operating activities</b>	<b>(a)</b>	<b>465,454</b>		<b>112,739</b>	
<b>Cash flows from investing activities:</b>					
Interest paid		<b>(2,603)</b>		<b>(1,069)</b>	
Purchase of fixed assets		<b>(94,737)</b>		<b>-</b>	
<b>Net cash used in investing activities</b>		<b>(97,340)</b>		<b>(1,069)</b>	
<b>Cash flows from financing activities:</b>					
Repayments of borrowing		<b>-</b>		<b>(15,959)</b>	
<b>Net cash (used in) financing activities</b>		<b>-</b>		<b>(15,959)</b>	
<b>Change in cash and cash equivalents in the year</b>		<b>368,114</b>		<b>97,849</b>	
Cash and cash equivalents at the beginning of the year		<b>212,062</b>		<b>114,213</b>	
<b>Cash and cash equivalents at the end of the year</b>	<b>(b)</b>	<b>580,176</b>		<b>212,062</b>	

**(a) Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2021 £	2020 £
<b>Net income for the reporting period (as per the statement of financial activities)</b>	<b>669,823</b>	<b>186,530</b>
Depreciation charges	<b>14,875</b>	<b>10,139</b>
Interest paid	<b>2,603</b>	<b>(1,069)</b>
Repayments of borrowings	<b>-</b>	<b>15,959</b>
(Increase) / decrease in stocks	<b>(84,553)</b>	<b>21,068</b>
Increase in debtors	<b>(88,452)</b>	<b>(21,500)</b>
Decrease in creditors	<b>(48,842)</b>	<b>(98,388)</b>
<b>Net cash provided by operating activities</b>	<b>465,454</b>	<b>112,739</b>

**(b) Analysis of cash and cash equivalents**

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	212,062	368,114	-	<b>580,176</b>
<b>Total cash and cash equivalents</b>	<b>212,062</b>	<b>368,114</b>	<b>-</b>	<b>580,176</b>

## 1 Accounting policies

### Statutory information

Islington Law Centre is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 38 Devonian Road, London, N1 8JH.

### Basis of preparation

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) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

### Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

### Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimation of the value of work in progress.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' 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.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Income from legal contracts is recognised on the accruals basis. An asset is recognised for work done under legal contracts where the criteria of measurement, probability and entitlement are met.

### Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor or which has been raised by the charity for particular purposes. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

## 1 Accounting policies (continued)

### Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance costs are allocated to each activity based on staff time.

### Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

### Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Leasehold improvements	15 years straight-line
~ Fixtures and fittings	25% reducing balance
~ Office equipment	25% reducing balance
~ Computer equipment	3 - 5 years straight-line

### Stock

Stock is work in progress and is valued at the net realisable value. Provision is made where necessary for irrecoverable amount of work in progress.

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.



Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**Finance leases**

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of financial activities as they fall due.

**Pensions**

The charity operates a defined contribution pension scheme. Costs are allocated between restricted and unrestricted funds in accordance with the time spent on restricted and unrestricted work by staff members. There are no liabilities at year end.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted	Restricted	2020 Total £
Donations	81,053	200,000	281,053	90,569	-	90,569
	81,053	200,000	281,053	90,569	-	90,569

Notes to the financial statements

For the year ended 31 March 2021

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Grant LB Islington	-	457,500	<b>457,500</b>	-	450,000	450,000
Grant Cripplegate Foundation	-	115,000	<b>115,000</b>	-	113,313	113,313
Grant City Bridge Trust	-	61,900	<b>61,900</b>	-	60,100	60,100
Grant Three Guineas Trust	-	48,833	<b>48,833</b>	-	69,500	69,500
Grant Richard Cloudesley Foundation	-	80,528	<b>80,528</b>	-	74,500	74,500
Grant BBC Children in Need	-	42,951	<b>42,951</b>	-	48,813	48,813
Grant Legal Education Foundation	-	-	-	-	29,884	29,884
Grant - Big Lottery	-	57,076	<b>57,076</b>	-	27,880	27,880
Grant Haringey Migrant Centre	-	26,765	<b>26,765</b>	-	24,139	24,139
Grant Hackney Migrant Centre	-	10,000	<b>10,000</b>	-	15,904	15,904
'London Legal Support Trust	-	10,000	<b>10,000</b>	-	-	-
Strategic Legal Fund (SLF)	-	4,572	<b>4,572</b>	-	-	-
Open Society Foundations	-	13,233	<b>13,233</b>	-	-	-
The Law Centres Network (LCN)	-	7,114	<b>7,114</b>	-	-	-
Trust for London	-	16,636	<b>16,636</b>	-	-	-
Comic Relief	-	40,000	<b>40,000</b>	-	-	-
Other grants	-	-	-	15,000	-	15,000
Fees and other income	368,045	-	<b>368,045</b>	278,699	-	278,699
Sub-total for general social welfare and core services	368,045	992,108	<b>1,360,153</b>	293,699	914,033	1,207,732
Comic Relief	-	16,667	<b>16,667</b>	-	33,332	33,332
Kids in Need of Defence UK (KIND UK)	-	139,743	<b>139,743</b>	-	113,742	113,742
Paul Hamlyn Foundation	-	36,461	<b>36,461</b>	-	43,067	43,067
Big Lottery - Breaking Chains	-	55,874	<b>55,874</b>	-	-	-
Open Society Foundations	-	13,233	<b>13,233</b>	-	-	-
Fees and other income	32,668	-	<b>32,668</b>	41,340	-	41,340
Sub-total for Migrant and Refugee Children's Legal Unit	32,668	261,978	<b>294,646</b>	41,340	190,141	231,481
Esmée Fairbairn Foundation	-	45,000	<b>45,000</b>	-	30,000	30,000
Joseph Rowntree Charitable Trust	-	35,000	<b>35,000</b>	-	35,000	35,000
Trust for London	-	30,000	<b>30,000</b>	-	30,000	30,000
Baring Foundation	-	30,000	<b>30,000</b>	-	30,000	30,000
Strategic Legal Fund (SLF)	-	19,118	<b>19,118</b>	-	-	-
Fees and other income	182,366	-	<b>182,366</b>	104,577	-	104,577
Sub-total for Migrants' Law Project	182,366	159,118	<b>341,484</b>	104,577	125,000	229,577
Total income from charitable activities	583,079	1,413,204	<b>1,996,283</b>	439,616	1,229,174	1,668,790

**4 Local and Government and Housing Act 1989**

The company received financial assistance from the London Borough of Islington. As required by Section 37 of the Local Government and Housing Act 1989 the following information is given.

London Borough of Islington provided funding towards the legal advice services in the following areas;

£457,500 (2020: £450,000) was for the provision of independent advice for residents of London Borough of Islington housing in the areas of welfare benefits and housing law.

## 5a Analysis of expenditure - current year

	Charitable activities					2021 Total £	2020 Total £
	General social welfare and core services £	Migrant and Refugee Children's Legal Unit £	Migrants' Law Project £	Governance costs £	Support costs £		
Staff costs (Note 7)	890,744	227,566	155,967	-	-	<b>1,274,277</b>	1,180,383
Other staff costs	4,244	10,894	521	-	-	<b>15,659</b>	22,164
Professional overheads	10,587	2,422	1,938	814	152	<b>15,913</b>	21,043
Expenses related to costs	-	-	-	-	-	-	3,021
Project costs	-	3,433	3,410	-	7,785	<b>14,628</b>	34,862
General office costs	5,371	1,117	893	-	105,726	<b>113,107</b>	129,765
Premises costs	25,542	6,780	5,424	-	13,782	<b>51,528</b>	69,580
Depreciation	-	-	-	-	14,875	<b>14,875</b>	10,138
Audit and accountancy	-	-	-	33,875	-	<b>33,875</b>	54,986
Irrecoverable VAT	-	-	-	-	23,919	<b>23,919</b>	19,387
Bad debt	-	-	-	-	49,732	<b>49,732</b>	27,500
	936,488	252,212	168,153	34,689	215,971	<b>1,607,513</b>	1,572,829
Support costs	145,569	39,407	30,995		(215,971)	-	-
Governance costs	23,737	6,084	4,868	(34,689)	-	-	-
<b>Total expenditure 2021</b>	<b>1,105,794</b>	<b>297,703</b>	<b>204,016</b>	<b>-</b>	<b>-</b>	<b>1,607,513</b>	1,572,829
Total expenditure 2020	1,136,091	225,494	211,244				

Of the total expenditure, £157,399 was unrestricted (2020: £169,669) and £1,450,114 was restricted (2020: £1,403,160).

## 5b Analysis of expenditure - prior year

	Charitable activities					
	General social welfare and core services £	Migrant and Refugee Children's Legal Unit £	Migrants' Law Project £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 7)	855,295	160,165	164,923	-	-	1,180,383
Other staff costs	15,721	3,275	3,168	-	-	22,164
Professional overheads	13,315	2,023	2,000	3,705	-	21,043
Expenses related to costs	(4,823)	4,358	3,486	-	-	3,021
Project costs	16,464	13,720	4,678	-	-	34,862
General office costs	-	-	-	-	129,765	129,765
Premises costs	16,620	3,267	2,613	-	47,080	69,580
Depreciation	-	-	-	-	10,138	10,138
Audit and accountancy	-	-	-	54,986	-	54,986
Irrecoverable VAT	-	-	-	-	19,387	19,387
Bad debt	-	-	-	-	27,500	27,500
	912,592	186,808	180,868	58,691	233,870	1,572,829
Support costs	179,176	30,704	23,990		(233,870)	-
Governance costs	44,323	7,982	6,386	(58,691)	-	-
Total expenditure 2020	1,136,091	225,494	211,244	-	-	1,572,829

Notes to the financial statements

For the year ended 31 March 2021

**6 Net income for the year**

This is stated after charging / (crediting):

	<b>2021</b>	2020
	<b>£</b>	£
Depreciation - owned by the charitable group	<b>14,875</b>	10,138
Interest payable	<b>2,603</b>	1,069
Operating lease rentals:		
Property	<b>8,611</b>	22,500
Auditor's remuneration (excluding VAT):		
Audit	<b>9,900</b>	9,700
Under provision for earlier years	<b>4,500</b>	1,000
	<b><u>14,875</u></b>	<u>10,138</u>

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	<b>2021</b>	2020
	<b>£</b>	£
Salaries and wages	<b>1,120,907</b>	1,048,635
Social security costs	<b>110,849</b>	100,095
Employer's contribution to defined contribution pension schemes	<b>33,584</b>	31,654
Other staff costs	<b>3,000</b>	-
Staff training	<b>5,937</b>	-
	<b><u>1,274,277</u></b>	<u>1,180,383</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including employer NI and pension contributions of the key management personnel were £62,479 (2020: £59,088).

The trustees were not paid and received no other benefits from employment with the charity in the year (2020: £nil). No member received payment for professional or other services supplied to the charity (2020: £nil).

**8 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	<b>2021</b>	2020
	<b>No.</b>	No.
Average staff	<b>38</b>	36
	<b><u>38</u></b>	<u>36</u>

Notes to the financial statements

For the year ended 31 March 2021

**9 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**10 Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
<b>Cost or valuation</b>				
At the start of the year	16,602	79,382	10,962	<b>106,946</b>
Additions in year	94,737	-	-	<b>94,737</b>
At the end of the year	<u>111,339</u>	<u>79,382</u>	<u>10,962</u>	<u><b>201,683</b></u>
<b>Depreciation</b>				
At the start of the year	16,376	58,396	10,962	<b>85,734</b>
Charge for the year	4,737	10,138	-	<b>14,875</b>
At the end of the year	<u>21,113</u>	<u>68,534</u>	<u>10,962</u>	<u><b>100,609</b></u>
<b>Net book value</b>				
<b>At the end of the year</b>	<u>90,226</u>	<u>10,848</u>	<u>-</u>	<u><b>101,074</b></u>
At the start of the year	<u>226</u>	<u>20,986</u>	<u>-</u>	<u>21,212</u>

All of the above assets are used for charitable purposes.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Computer equipment	<u><b>10,848</b></u>	<u>20,986</u>

All of the above assets are used for charitable purposes.

**11 Stock**

	2021 £	2020 £
Work in progress	<u><b>441,438</b></u>	<u>356,885</u>
	<u><b>441,438</b></u>	<u>356,885</u>

Notes to the financial statements

For the year ended 31 March 2021

**12 Debtors**

	2021 £	2020 £
Trade debtors	261,376	175,910
Other debtors	2,708	59,814
Prepayments	24,107	24,146
Grants receivable	60,131	-
	<u>348,322</u>	<u>259,870</u>

**13 Creditors: amounts falling due within one year**

	2021 £	2020 £
Trade creditors	18,892	2,366
Amounts due under finance leases	12,512	15,235
Other creditors	38,540	86,508
Accruals	10,500	60,597
Deferred income	76,978	29,047
	<u>157,422</u>	<u>193,752</u>

**14 Deferred income**

	2021 £	2020 £
Balance at the beginning of the year	101,667	101,667
Amount released to income in the year	(101,667)	(101,667)
Amount deferred in the year	76,978	29,047
	<u>76,978</u>	<u>29,047</u>

**15 Creditors: amounts falling due after one year**

	2021 £	2020 £
Amounts due under finance leases with 1-5 years	-	12,512
	<u>-</u>	<u>12,512</u>

Finance leases are secured against the assets concerned.



Notes to the financial statements

For the year ended 31 March 2021

16a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	101,074	-	-	<b>101,074</b>
Net current assets	184,037	725,587	302,890	<b>1,212,514</b>
<b>Net assets at 31 March 2021</b>	<b>285,111</b>	<b>725,587</b>	<b>302,890</b>	<b>1,313,588</b>

Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	21,212	-	-	21,212
Net current assets	350,620	146,681	137,764	635,065
Long term liabilities	(12,512)	-	-	(12,512)
<b>Net assets at 31 March 2020</b>	<b>359,320</b>	<b>146,681</b>	<b>137,764</b>	<b>643,765</b>

17a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
<b>Restricted funds:</b>					
General social welfare and core services	-	1,192,108	(1,002,380)	-	<b>189,728</b>
Migrant and Refugee Children's Legal Unit	137,764	261,978	(286,580)	-	<b>113,162</b>
Migrant's law project	-	159,118	(161,154)	2,036	-
<b>Total restricted funds</b>	<b>137,764</b>	<b>1,613,204</b>	<b>(1,450,114)</b>	<b>2,036</b>	<b>302,890</b>
<b>Unrestricted funds:</b>					
Designated funds:					
WIP	-	-	-	441,438	<b>441,438</b>
Migrants' Law Project	146,681	182,366	(42,862)	(2,036)	<b>284,149</b>
Total designated funds	146,681	182,366	(42,862)	439,402	<b>725,587</b>
<b>General funds</b>	<b>359,320</b>	<b>481,766</b>	<b>(114,537)</b>	<b>(441,438)</b>	<b>285,111</b>
<b>Total unrestricted funds</b>	<b>506,001</b>	<b>664,132</b>	<b>(157,399)</b>	<b>(2,036)</b>	<b>1,010,698</b>
<b>Total funds</b>	<b>643,765</b>	<b>2,277,336</b>	<b>(1,607,513)</b>	<b>-</b>	<b>1,313,588</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

Notes to the financial statements

For the year ended 31 March 2021

17b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
General social welfare and core services	68,971	914,031	(1,011,388)	28,386	-
Migrant and Refugee Children's Legal Unit	158,328	190,141	(210,705)	-	137,764
Migrant's law project	-	125,000	(181,067)	56,067	-
Total restricted funds	227,299	1,229,172	(1,403,160)	84,453	137,764
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	128,348	104,577	(30,177)	(56,067)	146,681
Total designated funds	128,348	104,577	(30,177)	(56,067)	146,681
General funds	101,588	425,608	(139,492)	(28,386)	359,320
Total unrestricted funds	229,936	530,185	(169,669)	(84,453)	506,001
Total funds	457,235	1,759,358	(1,572,829)	-	643,765

**Purposes of restricted funds**

General social welfare and core services includes core funding for General Legal Advice Services and the Three Advice Projects.

The Migrant and Refugee Children's Legal Unit was funded to work for social justice by changing policy and practice to ensure respect for the rights, and improve the lives, of migrant and refugee children in the UK through strategic casework, training, consultancy and policy work.

The Migrants' Law Project is a legal and public legal education project, which aims to improve the rights of migrants, refugees and asylum seekers through the use of public law.

**Purposes of designated funds**

**Migrants' Law Project**

Funds have been set aside by the Management Committee for the work of the Migrants' Law Project at the Law Centre to further the project objectives.

**WIP**

This fund represents the value of WIP at year-end. WIP represents the value of legal work done to the year-end and is not readily convertible to cash.

Notes to the financial statements

For the year ended 31 March 2021

**19 Finance lease commitments**

The charity's total future minimum lease payments under non-cancellable finance leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	12,512	15,235
Between 1-5 Years	-	12,512
	<u>12,512</u>	<u>27,746</u>

**20 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £
Less than one year	22,500	22,500
Between 1-5 Years	90,000	90,000
Over 5 years	37,500	60,000
	<u>150,000</u>	<u>172,500</u>

**21 Legal status of the charity**

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