

Report and financial statements

For the year ended 31 March 2022



Company number: 1302947
Charity number: 268468

Contents

Reference and administrative information	1
Trustees' annual report	3
Independent auditor's report	15
Statement of financial activities (incorporating an income and expenditure account)	19
Balance sheet	20
Statement of cash flows	21
Notes to the financial statements	22

Reference and administrative information

For the year ended 31 March 2022

Company number Incorporated in the United Kingdom 1302947

Charity number Registered in England and Wales 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
Steven Lorber

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 2022

Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB
Auditor	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 2022

The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

No employee earned more than £60,000 during the year (2021: 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.

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 – 11

Paralegals – 2

Reception and Referral team – 2

Interim Office Manager – 1

The Covid Pandemic and the Cost of Living Crisis

The community along with clients and users of the Law Centre have had to deal with the covid pandemic over the past two years and are now facing the Cost of Living Crisis. Throughout the pandemic the Law Centre managed to maintain all of our services and adapted the way that we provide the services to meet the circumstances and our clients needs. Organisations across Islington have come together to try to ensure that services are adapted and provided to our clients and the Law Centre has taken a full part in this process – building on the strengths and the relationships that exist across the community and voluntary sector and Local Authority in Islington.

For many of our clients and service users the Cost of Living Crisis is nothing new. We have worked with people and families who have been struggling to make ends meet for many years. What is new is the scale of the crisis facing those on low and middle incomes. Many of the issues now facing the community are the result of previous policy changes brought about during the austerity that followed the 2008 financial crash. In particular, the changes to housing benefit, the bedroom tax, the cap on benefits and the fact that the local housing allowance no longer meets the costs of housing for many in the community which reduces the available income to support families and children.

Even with the Energy Price Guarantee electricity and gas prices increased by 27% higher from October 2022 compared to the year before. With inflation rising, interest rates rising and the government now talking of the need for renewed tax rises and spending cuts there is a further period of austerity on the horizon. As more people will be pushed into poverty there will be an increasing slide into deprivation for many of those in our community who were previously just managing. The Law Centre will continue to work with the community to provide services and legal advice to help the community to deal with the effects of poverty and to enable people to take a full part in civil society.

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).



495 new cases opened in the past year

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



3,964 cases & enquiries worked on in 2021/2022

Reception and Referral Service

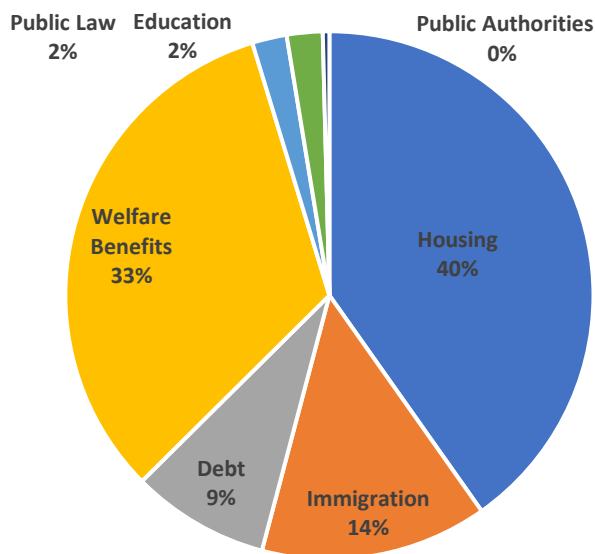


7041 reception enquiries

In the year 2021/22, the service dealt with 7,041 enquiries, which is a **20% increase** on the previous year. Of these enquiries **1,410 came from people contacting the Law Centre for the first time**. Our reception is now staffed in-person again, rather than remotely during the Covid-19 pandemic.

Casework, advocacy and representation

The Law Centre worked on **3964** cases during the year, a **18%** increase on the previous year, including:



Housing – 1,594
Welfare Benefits – 1,297
Immigration – 551
Debt – 335
Education – 84
Public Law – 87
Claims Against Public Authorities – 16

Case study– Joel

Joel is a young Albanian man, who came to the UK 9 years ago as a 16 year–old Unaccompanied Asylum–Seeking Child.

He claimed asylum as he was a victim of trafficking in Albania and forced to work on a cannabis farm. He was physically and emotionally abused by armed traffickers, resulting in a later diagnosis of PTSD and a broken limb. He also had a history of extreme domestic violence at the hands of his father.

Joel had a number of different solicitors, including those who failed to advise him he was eligible for legal aid, resulting in him accruing debts in order to fund fresh claims which were unsuccessful. His case was repeatedly refused by the Home Office before ILC took conduct of the same.

We instructed an expert psychologist who diagnosed our client with complex Post Traumatic Stress Disorder. We witnessed our client's deterioration and active suicidal ideation and as a result took swift action to challenge the delay of the Home Office to make a decision in our client's fresh asylum claim. In August this year our client was finally granted refugee status.

We have since liaised with our client's support worker and he is accessing benefits and has started the long road to recovery.

We also continued to manage 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. We have also recently worked closely with the Housing Law Practitioners Association in regard to proposed government changes to housing provision as well as responding to numerous consultations from the Home Office relating to immigration.

Outreach

The welfare benefits team have continued to operate their form filling clinic at the Law Centre office and in the past year had 203 appointments. 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 have had 179 advice appointments in the past year.

This is an **increase of 184%** on the previous year.



203
form filling
clinic
appointments



179
Immigration
outreach
appointments

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 **continue to meet the needs of people who may not be able to access mainstream provision**, and to maximise the impact of solicitors and caseworkers' time by building strong partnerships with other agencies.

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 354 appointments during the year. This was a 48% decrease on the year in part as a result of changes caused by covid.



354
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) is a legal and public legal education project that promotes fair treatment and access to justice for migrants, refugees and asylum seekers in the UK. They currently work on many complex refugee family reunion cases, in which relatives abroad are often in positions of extreme hardship.

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 project has provided direct representation to 30 children and young people from Albania to assist them with the asylum and trafficking claims throughout the year. The project has also provided a weekly advice surgery as part of the project seeing about 3 young people per week to provide them with advice on their circumstances– offering around 120 advice sessions via that. The team have also run **education and empowerment sessions** for young Albanians engaged in Shpresa Programme to support their understanding of the asylum system.



100% success
rate for KiND
applications

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. The total number of KiND cases in the past year was **169**.

KiND continue to hold a 100% success rate to date for their applications.

The organisation's infrastructure

The Law Centre has put in place improved financial arrangements and have moved to a new cloud-based accounting system. We have also **improved the IT facilities** at the Law Centre by moving to a cloud-based case management system and have upgraded the organisation's IT hardware along with a move to Office 365.

In addition the Law Centre has created new training space and facilities to increase the emphasis on training for staff and for other community organisations.

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 2022. We received very positive feedback including that 'the centre should continue to be highly commended for sustaining an **extremely high level of compliance** against the Lexcel standard'.

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, two thirds of our clients have some form of ill-health or disability.



Two thirds 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 96% of clients said that they were very happy. 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.

I have nothing but praise for the law centre, especially Gail, who has the patience of a saint. She was incredibly support to me, a great listener and made my complaint and my comments about the DWP feel important. What I said mattered. I will miss her input and her help. Praise must also be given to the reception staff who, in my experience, have always demonstrated patience and composure with their clients.

It was an amazing assistance to our family very detailed and courteous...informative ..my family shall recommend this first class efforts to others in our situation

I had no trust or belief in people at the beginning of my first encounter with Anna Skehan. She was very calm even though I had given her reasons to not have taken my case with my anger and attitude, above all that she saw something and got to working on my case. The fight and struggles has been real hard but we made it with all the legal team working together to make mine and others life more bearable. I thank the law centre and all that you do.

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 £2,131,779 with expenditure of £1,738,939. We have managed to increase our unrestricted funds less work in progress to £951,946 and our overall funds to £1,706,428.

The Trustees have taken this action to build unrestricted income and reserves and to ensure that the organisation has between 3 and 6 months reserves at any one time. The target for reserves is therefore between £435 and £869,000.

The remuneration of the key management personnel is decided by the Board. No employee earned more than £60,000 in the year.

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.

Trustees' annual report

For the year ended 31 March 2022

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 full review of LASPO (Legal Aid and the Sentencing and Punishment of Offenders act) in the autumn of 2022, and we will participate 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 a huge 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 £466,976. The designated funds at year end were £906,116.

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.

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 holds Legal Aid contracts in housing, debt and welfare benefits, public law and immigration and asylum law.

In 2022/23, 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. We also intend to develop our training provision to start to train the new generation of social welfare lawyers.

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
- 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 2022 and signed on their behalf by

Russell Smith-Becker
Trustee

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 2022 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 2022 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 company law) are responsible for the preparation of the financial statements and for being satisfied

Independent auditor's report

To the members of

Islington Law Centre

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.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Independent auditor's report

To the members of

Islington Law Centre

- 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. 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)

9 December 2022

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 2022

		Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
	Note						
Income from:							
Donations and legacies	2	107,410	-	107,410	81,053	200,000	281,053
Charitable activities	3	661,268	1,363,101	2,024,369	583,079	1,413,204	1,996,283
Total income		768,678	1,363,101	2,131,779	664,132	1,613,204	2,277,336
Expenditure on:							
Charitable activities	5a	310,183	1,428,756	1,738,939	157,399	1,450,114	1,607,513
Total expenditure		310,183	1,428,756	1,738,939	157,399	1,450,114	1,607,513
Net income / (expenditure) for the year	6	458,495	(65,655)	392,840	506,733	163,090	669,823
Transfers between funds		-	-	-	(2,036)	2,036	-
Net movement in funds		458,495	(65,655)	392,840	504,697	165,126	669,823
Reconciliation of funds:							
Total funds brought forward		1,010,698	302,890	1,313,588	506,001	137,764	643,765
Total funds carried forward		1,469,193	237,235	1,706,428	1,010,698	302,890	1,313,588

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 16a to the financial statements.

Balance sheet

Company no. 1302947

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	10		96,101		101,074
			96,101		101,074
Current assets:					
Stock	11	517,247		441,438	
Debtors	12	388,775		348,322	
Cash at bank and in hand		846,366		580,176	
		1,752,388		1,369,936	
Liabilities:					
Creditors: amounts falling due within one year	13	(142,061)		(157,422)	
Net current assets			1,610,327		1,212,514
Total net assets			1,706,428		1,313,588
The funds of the charity:	16a				
Restricted income funds			237,235		302,890
Unrestricted income funds:					
Designated funds		906,116		284,149	
General funds		563,077		726,549	
Total unrestricted funds			1,469,193		1,010,698
Total charity funds			1,706,428		1,313,588

Approved by the management committee on 22 November 2022 and signed on their behalf by

Russell Austin Smith-Becker
Trustee

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	(a)	278,695		465,454	
Cash flows from investing activities:					
Interest paid		(768)		(2,603)	
Purchase of fixed assets		<u>(11,737)</u>		<u>(94,737)</u>	
Net cash used in investing activities		(12,505)		(97,340)	
Change in cash and cash equivalents in the year		266,190		368,114	
Cash and cash equivalents at the beginning of the year		580,176		212,062	
Cash and cash equivalents at the end of the year	(b)	846,366		580,176	

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

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	392,840	669,823
Depreciation charges	16,710	14,875
Interest paid	768	2,603
Increase in stocks	(75,809)	(84,553)
Increase in debtors	(40,453)	(88,452)
Decrease in creditors	(15,361)	(48,842)
Net cash provided by operating activities	278,695	465,454

(b) Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	Other changes £	At 31 March 2022 £
Cash at bank and in hand	580,176	266,190	-	846,366
Total cash and cash equivalents	580,176	266,190	-	846,366

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 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:

<input type="checkbox"/> Leasehold improvements	15 years straight-line
<input type="checkbox"/> Fixtures and fittings	25% reducing balance
<input type="checkbox"/> Office equipment	25% reducing balance
<input type="checkbox"/> 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 2022

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 £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donations	107,410	-	107,410	81,053	200,000	281,053
	107,410	-	107,410	81,053	200,000	281,053

3 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
LB Islington	-	450,000	450,000	-	457,500	457,500
Cripplegate Foundation	-	162,918	162,918	-	115,000	115,000
City Bridge Trust	-	63,800	63,800	-	61,900	61,900
Three Guineas Trust	-	58,000	58,000	-	48,833	48,833
Richard Cloudesley Foundation	-	29,308	29,308	-	80,528	80,528
BBC Children in Need	-	-	-	-	42,951	42,951
Big Lottery	-	57,180	57,180	-	57,076	57,076
Haringey Migrant Centre	-	26,244	26,244	-	26,765	26,765
Hackney Migrant Centre	-	10,000	10,000	-	10,000	10,000
'London Legal Support Trust	-	-	-	-	10,000	10,000
Strategic Legal Fund (SLF)	-	7,266	7,266	-	23,690	23,690
Open Society Foundations	-	31,760	31,760	-	26,466	26,466
The Law Centres Network (LCN)	-	-	-	-	7,114	7,114
Trust for London	-	15,000	15,000	-	46,636	46,636
Comic Relief	-	-	-	-	56,667	56,667
Kids in Need of Defence UK (KIND)	-	150,014	150,014	-	139,743	139,743
Paul Hamlyn Foundation	-	14,550	14,550	-	36,461	36,461
Big Lottery - Breaking Chains	-	107,951	107,951	-	55,874	55,874
Esmée Fairbairn Foundation	-	30,000	30,000	-	45,000	45,000
Joseph Rowntree Charitable Trust	-	27,500	27,500	-	35,000	35,000
Baring Foundation	-	30,000	30,000	-	30,000	30,000
Therium	-	30,000	30,000	-	-	-
AB Charitable Trust	-	40,000	40,000	-	-	-
National Lottery Community Fund	-	10,000	10,000	-	-	-
The Evans Cornish Foundation	-	10,160	10,160	-	-	-
Other	-	1,450	1,450	-	-	-
Islington Children's Services	41,667	-	41,667	-	-	-
Fees and other income	619,601	-	619,601	583,079	-	583,079
Total income from charitable activities	661,268	1,363,101	2,024,369	583,079	1,413,204	1,996,283

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;

£450,000 (2021: £457,500) 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 £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 7)	1,376,222	-	-	1,376,222	1,274,277
Other staff costs	11,088	-	-	11,088	15,659
Professional costs	13,658	-	10,441	24,099	15,913
Project costs	38,425	-	-	38,425	14,628
General office costs	6,302	-	106,611	112,913	113,107
Premises costs	55,446	-	2,709	58,155	51,528
Depreciation	-	-	16,710	16,710	14,875
Audit and accountancy	-	31,797	-	31,797	33,875
Irrecoverable VAT	-	-	15,530	15,530	23,919
Bad debt	-	-	54,000	54,000	49,732
	1,501,141	31,797	206,001	1,738,939	1,607,513
Support costs	31,797	(31,797)	-	-	-
Governance costs	206,001	-	(206,001)	-	-
Total expenditure 2022	1,738,939	-	-	1,738,939	1,607,513

Of the total expenditure, £310,183 was unrestricted (2021: £157,399) and £1,428,756 was restricted (2021: £1,450,114).

5b Analysis of expenditure - prior year

	Charitable activities £	Governance costs £	Support costs £	2021 Total £
Staff costs (Note 7)	1,274,277	-	-	1,274,277
Other staff costs	15,659	-	-	15,659
Professional overheads	14,947	814	152	15,913
Project costs	6,843	-	7,785	14,628
General office costs	7,381	-	105,726	113,107
Premises costs	37,746	-	13,782	51,528
Depreciation	-	-	14,875	14,875
Audit and accountancy	-	33,875	-	33,875
Irrecoverable VAT	-	-	23,919	23,919
Bad debt	-	-	49,732	49,732
	1,356,853	34,689	215,971	1,607,513
Support costs	215,971	-	(215,971)	-
Governance costs	34,689	(34,689)	-	-
Total expenditure 2021	1,607,513	-	-	1,607,513

Notes to the financial statements

For the year ended 31 March 2022

6 Net income for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation	16,710	14,875
Interest payable	768	2,603
Operating lease rentals:		
Property	22,500	22,500
Auditor's remuneration (excluding VAT):		
Audit	10,600	9,900
Under provision for earlier years	-	4,500
	=====	=====

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

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	1,222,464	1,120,907
Social security costs	119,824	110,849
Employer's contribution to defined contribution pension schemes	28,478	33,584
Other staff costs	-	3,000
Staff training	5,456	5,937
	=====	=====
	1,376,222	1,274,277

No employee earned more than £60,000 during the year (2021: nil).

The total employee benefits including employer NI and pension contributions of the key management personnel were £119,567 (2021: £62,479).

The trustees were not paid and received no other benefits from employment with the charity in the year (2021: £nil). No member received payment for professional or other services supplied to the charity (2021: £nil).

8 Staff numbers

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

	2022	2021
	No.	No.
Average staff	39	38
	=====	=====
	39	38

Notes to the financial statements

For the year ended 31 March 2022

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 £
Cost or valuation				
At the start of the year	111,339	79,382	10,345	201,066
Additions in year	9,369	1,338	1,030	11,737
At the end of the year	<u>120,708</u>	<u>80,720</u>	<u>11,375</u>	<u>212,803</u>
Depreciation				
At the start of the year	21,113	68,534	10,345	99,992
Charge for the year	6,202	10,251	258	16,710
At the end of the year	<u>27,315</u>	<u>78,785</u>	<u>10,603</u>	<u>116,702</u>
Net book value				
At the end of the year	<u>93,393</u>	<u>1,935</u>	<u>773</u>	<u>96,101</u>
At the start of the year	<u>90,226</u>	<u>10,848</u>	<u>-</u>	<u>101,074</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:

	2022 £	2021 £
Computer equipment	<u>1,935</u>	<u>10,848</u>

All of the above assets are used for charitable purposes.

11 Stock

	2022 £	2021 £
Work in progress	<u>517,247</u>	<u>441,438</u>
	<u>517,247</u>	<u>441,438</u>

Notes to the financial statements

For the year ended 31 March 2022

12 Debtors

	2022 £	2021 £
Trade debtors	357,472	261,376
Other debtors	4,571	2,708
Prepayments	20,824	24,107
Grants receivable	5,908	60,131
	388,775	348,322

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,769	18,892
Amounts due under finance leases	-	12,512
Other creditors	86,460	38,540
Accruals	30,500	10,500
Deferred income	8,332	76,978
	142,061	157,422

14 Deferred income

	2022 £	2021 £
Balance at the beginning of the year	76,978	101,667
Amount released to income in the year	(76,978)	(101,667)
Amount deferred in the year	8,332	76,978
	8,332	76,978

15a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	96,101	-	-	96,101
Net current assets	466,976	906,116	237,235	1,610,327
Net assets at 31 March 2022	563,077	906,116	237,235	1,706,428

15b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Fixed assets	101,074	-	-	101,074
Net current assets	625,475	284,149	302,890	1,212,514
Net assets at 31 March 2021	726,549	284,149	302,890	1,313,588

16a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
City Bridge Trust	-	63,800	(63,800)	-	-
Cripplegate Foundation	-	162,918	(115,000)	-	47,918
LB Islington	100,910	450,000	(534,699)	-	16,211
Three Guineas Trust	32,222	58,000	(47,121)	-	43,101
Richard Cloudesley Foundation	32,221	29,309	(61,530)	-	-
Big Lottery	37,186	165,131	(165,131)	-	37,186
Haringey Migrant Centre	-	26,244	(26,244)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
Strategic Legal Fund (SLF)	-	7,266	(7,266)	-	-
Open Society Foundations	-	31,760	(30,692)	-	1,068
Islington Children's Services	-	-	-	-	-
Trust for London	-	15,000	(15,000)	-	-
Kids in Need of Defence UK (KIND UK)	75,976	150,013	(168,328)	-	57,660
Paul Hamlyn Foundation	-	14,550	(13,702)	-	848
Esmée Fairbairn Foundation	24,375	30,000	(43,900)	-	10,475
Joseph Rowntree Charitable Trust	-	27,500	(27,500)	-	-
Baring Foundation	-	30,000	(30,000)	-	-
National Lottery Community Fund	-	10,000	(10,000)	-	-
The Evans Cornish Foundation	-	10,160	(10,160)	-	-
Therium	-	30,000	(30,000)	-	-
AB Charitable Trust	-	40,000	(17,233)	-	22,767
Other	-	1,450	(1,450)	-	-
Total restricted funds	302,890	1,363,101	(1,428,756)	-	237,235
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	284,149	144,716	(39,996)	-	388,869
WIP	441,438	75,809	-	-	517,247
Total designated funds	725,587	220,525	(39,996)	-	906,116
General funds	285,111	548,153	(270,187)	-	563,077
Total unrestricted funds	1,010,698	768,678	(310,183)	-	1,469,193
Total funds	1,313,588	2,131,779	(1,738,939)	-	1,706,428

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 2022

16b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
LB Islington	-	457,500	(356,590)	-	100,910
Cripplegate Foundation	-	115,000	(115,000)	-	-
City Bridge Trust	-	61,900	(61,900)	-	-
Three Guineas Trust	-	48,833	(16,611)	-	32,222
Richard Cloudesley Foundation	-	80,528	(48,307)	-	32,221
BBC Children in Need	-	42,951	(42,951)	-	-
Big Lottery	-	57,076	(19,890)	-	37,186
Haringey Migrant Centre	-	26,765	(26,765)	-	-
Hackney Migrant Centre	-	10,000	(10,000)	-	-
'London Legal Support Trust	-	10,000	(10,000)	-	-
Strategic Legal Fund (SLF)	-	23,690	(23,690)	-	-
Open Society Foundations	-	26,466	(26,466)	-	-
The Law Centres Network (LCN)	-	7,114	(7,114)	-	-
Trust for London	-	46,636	(46,636)	-	-
Comic Relief	17,134	56,667	(73,801)	-	-
Kids in Need of Defence UK (KIND UK)	98,492	139,743	(164,295)	2,036	75,976
Paul Hamlyn Foundation	22,138	36,461	(58,599)	-	-
Big Lottery - Breaking Chains	-	55,874	(55,874)	-	-
Esmée Fairbairn Foundation	-	45,000	(20,625)	-	24,375
Joseph Rowntree Charitable Trust	-	35,000	(35,000)	-	-
Baring Foundation	-	30,000	(30,000)	-	-
Justice Foundation Grant	-	200,000	(200,000)	-	-
Total restricted funds	137,764	1,613,204	(1,450,114)	2,036	302,890
Unrestricted funds:					
Designated funds:					
Migrants' Law Project	146,681	182,366	(42,862)	(2,036)	284,149
WIP	-	-	-	441,438	441,438
Total designated funds	146,681	182,366	(42,862)	439,402	725,587
General funds	359,320	481,766	(114,537)	(441,438)	285,111
Total unrestricted funds	506,001	664,132	(157,399)	(2,036)	1,010,698
Total funds	643,765	2,277,336	(1,607,513)	-	1,313,588

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 Migrant and Refugee Children's Legal Unit received restricted funding from Paul Hamlyn Foundation, Kids in Need of Defence, AB Charitable Trust and the National Lottery.

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. The Migrants' Law Project received restricted funding from Joseph Rowntree Foundation, Esmée Fairbairn, Therium and Trust for London.

Notes to the financial statements

For the year ended 31 March 2022

17 Movements in funds (continued)

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.

18 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	
	2022	2021
	£	£
Less than one year	-	12,512
Between 1-5 Years	-	-
	<u>-</u>	<u>12,512</u>
	<u>-</u>	<u>12,512</u>

19 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	
	2022	2021
	£	£
Less than one year	22,500	22,500
Between 1-5 Years	90,000	90,000
Over 5 years	15,000	37,500
	<u>127,500</u>	<u>150,000</u>
	<u>127,500</u>	<u>150,000</u>

20 Legal status of the charity

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

21 Related party transactions

There are no related party transactions to disclose for 2022 (2021: none).