

The Legal Education Foundation

ANNUAL REPORT & CONSOLIDATED FINANCIAL STATEMENTS

Year to 30 June 2024

Foundation Details

Principal Office

15 Alfred Place
London
WC1E 7EB

Charity Registration Number

271297

Principal Professional Advisers

Independent Auditor

RSM UK Audit LLP
Davidson House
Forbury Square
Reading
RG1 3EU

Investment Advisers

Sarasin and Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

Banker

National Westminster Bank plc
94 Moorgate
London
EC2M 6UR

Contents

Foundation Details	2
Constitution, Objects, Public Benefit, Structure	4
Key Developments in the Year	5
2020-2025 strategy - programme delivery this year	9
2020-2025 – Strategic Objectives	13
- Stronger Sector	13
- Justice First Fellowship	17
- Fairer Systems	19
- Smarter Justice	23
Grant making process and Practice	24
Justice Collaborations	27
2025-2030 Strategy development	29
Foundation priorities for 2024-2025	30
Financial Review	32
Investment Management and Performance	35
Statement of Governors’ Responsibilities	38
Risk Management	39
Governance	39
Acknowledgements	43
Independent Auditor’s Report to the Governors	44
Consolidated Statement of Financial Activities	48
Individual Parent Charity Statement of Financial Activities	49
Balance Sheet	50
Consolidated Statement of Cash Flows	51
Notes to the Accounts	52

Report of the Governors for the Year Ended 30 June 2024

CONSTITUTION

The Foundation was charity incorporated in 1962 and granted a Royal Charter in 1975. The ultimate control of the Foundation is vested in the Governors who are also its Trustees. They are appointed by the Members of the Foundation who are the current Governors together with those who were Governors within the previous five years and have not resigned as Members.

OBJECTS

The objects of the Foundation, as set out in its Royal Charter, are: 'To promote the advancement of legal education and the study of law in all its branches, and the sound development and administration of law.'

PUBLIC BENEFIT

The Governors confirm that they have referred to the Charity Commission's guidance on public benefit when considering the Foundation's aims and objectives, in planning future activities, and setting its grant-making policy. The information on the following pages, provides more detail on the benefit that the Foundation's activities provide to the public.

STRUCTURE

The Group consists of the Foundation and its wholly owned subsidiary, Justice Collaborations. Justice Collaborations was incorporated on 22 November 2019, is a company limited by guarantee and received charitable status on 17 January 2020. The Trustee Board of Justice Collaborations comprises three Trustees the Foundation's Chief Executive and two independent Trustees. Justice Collaborations' Objects incorporate those of the Foundation, but are wider.

KEY DEVELOPMENTS IN THE YEAR

Context

The importance of independence

Writing this annual report in early July 2024, we are days into a new government in the UK. Civil society organisations, including many of the Foundation’s grant partners, are already engaging with newly appointed ministers urging new priorities, policies and actions.

The independence of civil society, meaning its freedom of action, freedom of purpose and freedom of voice, is one of the hallmarks of a healthy democracy. These freedoms are frequently constrained and sometimes actively challenged in relationships with government and this matters because the independence of civil society is fundamental, whatever the hue or stance of the government of the day. Without these freedoms, civil society groups and organisations risk distorting their accountability away from the lived experience of the communities where they are towards the priorities of others, which may not be the same. Unless these freedoms are protected and boldly asserted, groups and organisations risk undermining their ability to capture needs, to pioneer new ways of addressing these needs, to advocate, to dissent and to harness the energies of their communities.

Our Foundation’s charitable purpose centres on the education, development and administration of law. The attacks in recent times by particular parts of government and the media on social justice lawyers who are working on behalf of communities bearing the brunt of inequality and injustice has been of special concern to us. These are people using legal skills and strategies to support the communities they work alongside, to pursue better practices and policies, to hold the powerful to account and, particularly, to ensure that government and public bodies act within the law. We see how lawyers and legal advisors are so often needed in the UK today to support people to access or enforce their basic social and human rights. The Foundation stands alongside those communities and those lawyers and legal workers striving to do this. This is about solidarity and rights, and a functioning, representative, multi-racial democracy, without which a more just and fair society will not be achieved.

The practical challenges facing communities

This work is even more challenging at a time when the energies of many communities are diminished by hardship and difficulties.

Research by the Joseph Rowntree Foundation published this year records that, in 2021/22, 14.4million people in the UK lived in poverty – 8.1m working age adults, 4.2m children and 2.1m pensioners. The number of people who were destitute, where they cannot afford to meet the most basic physical needs to stay warm, dry, clean and fed, rose to nearly 4million people in 2022, a 148% increase over five years, including 1 million children, three times as many as in 2017.

Poverty rates are higher for people from racialised groups, for disabled people, informal carers, those in social renting and those in private renting. And although rates are higher too amongst people in workless households, two thirds of the working age adults in poverty live in a household where someone is in work. The poverty rates of people claiming different income-related benefits are also much higher than the national average poverty rate. Rates of poverty differ across the country, rates are lower overall in Scotland and Northern Ireland, and highest in England.

At the same time, the welfare benefits system remains characterised by complexity, delay and poor decision making. Conditionality and the continued migration of claimants from legacy benefits to Universal Credit (UC) has exacerbated the impact on low-income families and particularly vulnerable

people. Claimants face destitution when mistakes are made or they do not get the support they are entitled to and have to rely on a lengthy appeal process for resolution.

The figures are stark, and even more so when laid alongside the levels of racism and discrimination that affect so many people's daily lives.

- The trauma experienced by those affected by the Windrush scandal.
- A housing crisis which leaves too many people unable to access their human right to quality, secure and affordable housing. There has been a rise in evictions and record numbers facing homelessness. In Manchester in December 2023, 150+ evictions a week were being dealt with at Manchester County Court. Rents have risen by more than 30% across Greater Manchester in the last two years.
- The glaring disparities in school exclusion rates with children with Black and mixed White and Black Caribbean heritage, and children with special educational needs and disabilities (SEND) being two to five times more likely to be excluded compared to the school population as a whole.
- Survivors of domestic abuse being unable to access legal services.
- Baroness Casey's report exposing the racism, homophobia, sexism and misogyny within The Metropolitan Police.
- The growing crisis of precarious work and the growing trend of low-pay, low-security employment, where labour exploitation is rife.
- The growing levels of inequality, exacerbated by the ongoing legacy of Covid-19 and the worst cost of living crisis in 40 years. ONS data shows that disabled people, people from ethnic minorities and unemployed people are disproportionately struggling to pay their rent and energy bills. Recent assessment by the EHRC of how well the UK Government is meeting its international human rights obligations shows regression in many ESCR areas and no progress across almost all others.
- Backlogs in access to health and social services have continued to increase across all areas particularly in welfare benefits, immigration and asylum.
- Grant partners and their communities have experienced hate crime.
- Failings in the legal and regulatory frameworks that govern public authority use of Automated Decision Making systems (ADMs) and algorithms increase the likelihood of discrimination and make it harder for individuals to seek redress when authorities make unlawful decisions that affect them.

The importance of law

Law is woven into all these issues and challenges. It can make some of them worse, or it can be used to strengthen the power of communities to improve their lives and the lives of others.

We know the role that unresolved legal problems can play on people in causing or exacerbating the challenges they face. This is why we focus on the everyday areas of law such as welfare benefits, housing, debt, employment, immigration, asylum, education, community care and public and administrative law. These can help to deal with the immediate, human and local needs that arise.

We also know that the law and legal strategies can be used to tackle the systemic issues that underpin these issues. Part of that work is to expose the harms that the law can exert. Part of it is to harness the energy people have for change in their lives. And part of it is to strengthen the prospects for that work so that it is successful.

The crisis in social justice legal organisations

So often when people come together, their efforts are framed as *claiming rights that are owed*, or *securing rights that are ignored*, or *protecting rights that are under threat*. So often campaigns talk about the dignity and recognition that comes with *winning rights*.

And yet, the system that supports people to secure their rights and protections and to use the law as a tool for social justice faces ongoing crisis. In England and Wales, the number of legal aid providers has shrunk by more than 40% since 2012. The number of advice agencies and Law Centres providing early legal advice has fallen by 59% since 2013. Only 57% of the population now lives within 10km of a housing legal aid provider.

Organisations working in these areas of law face intense recruitment and retention challenges. Pressures on this workforce are further intensified by the complexity and depth of the issues presented by those seeking help, often because of reduced access to statutory services. We now routinely incorporate training to deal with vicarious trauma into the support we provide to our Justice First Fellows and other grant partners, and we award additional funds to grant partners specifically to increase support for staff wellbeing.

Organisations have to cope with ongoing competition over funding, and somehow find ways to maintain services, work strategically and still invest in learning, development and management capacity. Direct funding cuts are being experienced by organisations from central and local government public sector funding schemes. Where organisations are being funded, it is for shorter periods of time. Independent funders all continue to report that they are heavily oversubscribed.

The structural challenges that underpin the practical deficits

Upholding fundamental rule of law principles relating to the transparency and accountability of public institutions has become increasingly urgent. Many of our constitutional protections have come under severe strain in the recent past. Increasing concerns have been expressed in the UK about the gradual erosion of democratic institutions and norms such as potential breaches of international law over migration legislation, the evasion of parliamentary scrutiny, failures to uphold the standards system, and attacks on institutions and individuals by ministers and backbenchers. A trend reaching back across consecutive governments has continued through the consolidation of greater political power in the Executive.

A raft of legislation has also challenged political rights:

- The Police, Crime and Sentencing Act 2022 and the Public Order Act 2023 gave the police new powers to make arrests and restrict demonstrations, reducing people's right to protest. During the progress of this Bill, the Parliamentary Joint Committee on Human Rights concluded that ministers were creating a hostile environment for protest. Communities have experienced these laws unevenly, with Black people much more likely to be stopped and searched than White people. The ability to access legal aid has been severely reduced.
- The Judicial Review and Courts Act 2022 has strengthened government's power over an independent judiciary by reducing the scope of Judicial Review.
- The Strikes (Minimum Service Levels) Act 2023 has been argued to undermine worker and human rights. During the course of the Bill, the Parliamentary Joint Committee on Human Rights raised concerns that it was not compatible with the European Convention on Human Rights and the right to freedom of assembly and association.
- The Nationalities and Borders Act 2022 widens the power of the state to deprive citizenship without oversight and increases the burden of proof required for asylum applications. This impacts victims of modern slavery and other vulnerable people with complex cases.
- The Illegal Migration Act 2023 prohibits most forms of asylum, reduces appellate rights and provides for greater use of administrative detention without judicial oversight, which means trafficking victims may be deprived of the support they need due to their immigration status.

These Acts were framed by the government at the time as targeting specific groups such as migrants, protestors or asylum seekers, but these laws shrink the democratic space for everyone. In March

2023, the UK was downgraded in the Civicus civic freedoms index saying freedoms in the UK had been obstructed.

A social justice funder

In March 2024, trustees of the Foundation gathered for our annual away day and reflected on our work over nearly ten years since the creation of the Foundation. As an organisation concerned with education of the law, the fundamental question we have asked ourselves over this time is why does it matter that people can learn about, understand and use the law? Our early work prioritised the role of legal education in the context of access to justice. Since then, the challenges facing society as we have seen them, and the experience gained through our open grant programmes, our Justice First Fellowship and the Justice Together Initiative, have shaped our evolution into an organisation that sees a purposeful role for law as a tool for social justice. Indeed, we now define ourselves as a social justice funder and are recognised as one of the largest social justice funders in the UK, bringing a distinctive and specific focus on the role of law.

Being a social justice funder means focusing on systemic change that addresses the root causes of injustice. It has implications for every part of our work: governance, grants, learning, influencing, communicating, operating and investing. We have brought this approach together under the banner of a programme within the Foundation that we call Power, Culture and Inclusion. Later sections in this report go into more detail and, in 2025, we will be launching a new strategy that reflects our lessons over the last ten years and sets the course for the next phase of our development.

Some further important context for this work was contained in research that we supported and took part in this year led by the Civic Power Fund and the Hour is Late, published as *Funding Justice 2*.

The research analysed 18,816 grants from 60 funders in the UK, worth over £950m. These grants were equivalent to around 21% of all UK foundation giving in 2021-22. 27% of these grants (worth £256m) were focused on social justice work. This was just 5.7% of foundation giving in the UK that year.

Each social justice grant identified was coded according to the type of work to tackle injustice that was funded. For this, researchers used the Ayni Institute's framework for understanding social movements, and the different theories of change that drive them. This analysis revealed that:

- Almost a third of the 2,773 social justice grants analysed funded service delivery work. This is vital work, providing much needed immediate support and care to communities and strengthening trust and relationships with and within them. But it focuses on the symptoms of injustice, and doesn't go further to attempt systemic change.
- Around another third of this funding went to work focussed on change on the 'inside track', via legislation, policy, fiscal changes, strategic litigation, or changes in corporate practice.
- By contrast, the 'outside game' work of community organising and mass protest that excluded communities rely on to be heard received less than 10% of the social justice funding analysed.

The researchers concluded that social justice grants are not shifting power to or building the power of communities.

- Only 0.33% of all UK foundation giving, and 1.6% of the grants analysed in the report, went to organising or work that was expressly about building power. And the majority of this funding - 63% - went to work carried out at the national level. Of the grants directed to sub-national work, London received the highest amount of grant funding - £407 of grants per 100 people, compared to £1 per person in five English regions.

- And it was found that funding to challenge injustice is spread thinly across organisations. The 2,773 social justice grants in the dataset were distributed to 1,707 different grantees - an average of 1.6 grants per organisation. Many grantees received small sums of money - 43% secured less than £50,000 and 21% received £10,000 or less.

The research showed that, despite the growing number of funders motivated by injustice, social justice work continues to be severely under-resourced. Scarce funding limits what organisations can do beyond offering crisis support. We do not underestimate, either, the drain on energy and morale of those involved in fighting injustice. More resource is needed to make this work flourish.

2020-2025 strategy - programme delivery this year

In 2022, we refreshed the vision and mission driving our current strategy:

Vision

Our vision is of a just and fair society.

Mission

Our mission is to support communities to use the law to improve their lives and the lives of others.

This year we also refreshed our values:

Values

Trust	<i>We trust and value our partners' and colleagues' lived and learned experience. We work to be trusted by being open and honest, and acting with integrity.</i>
Solidarity	<i>We stand with those taking action to bring about collective benefit. We commit ourselves and our resources to building relationships over the long term that centre well-being, accelerate change and make others' voices heard.</i>
Inclusion	<i>We work to be representative of and accountable to the communities we work with. We challenge systems and structures, including our own, that create and perpetuate oppression, discrimination, inequity and exclusion.</i>
Courage	<i>We are not afraid to challenge injustice.</i>
Reflection	<i>We take seriously the complexity of the issues we are tackling and the importance of learning from communities that are affected. We build a culture in which we are dedicated to reflecting and acting on our learning.</i>

Power, Culture and Inclusion

Countering injustice is central to our work and in doing this it is essential that we uphold racial justice, disability justice and anti-oppressive practices in all our work with grant partners, applicants and wider sector colleagues as well as with our own staff team and trustees.

We call our approach *Power, Culture and Inclusion* (PCI), and in November 2022 we appointed an experienced member of staff to lead this work in recognition of the need for dedicated capacity to coordinate the delivery of our ambitions.

- *Power* signals our commitment to using our own power to confront injustice and the power imbalance in the grantmaking system. It puts voices of those with lived experience of injustice front and centre.
- *Culture* reflects the transformation we are going through in our learning, behaviour and attitudes, and that we want to build the best grant-making environment.
- *Inclusion*, alongside diversity and equity, speaks to our responsibility to being representative of and accountable to the communities we work with.

This year has seen us embed PCI in our strategy review, programmes, training and operations. A PCI action plan is live to keep track of work. This is updated regularly with timescales set at one to three years to ensure goals and tasks are realistic and achievable. The overall PCI work intentionally has no prescribed end date to reflect that this is now part of the Foundation's core.

Key elements of the action plan achieved or in progress to date are outlined below. With PCI goals embedded across all areas of work, further detail on how the plan is being implemented is also demonstrated throughout this annual report.

Grants & Strategy

Our Grants team has consciously aimed to reach new organisations not previously funded by the Foundation, particularly those user-led by communities facing racial inequity. This has led to proactive work to attract and fund a cluster of racial justice grants under Fairer Systems in spring 2024. Details are included in the section on grants awarded this year.

Our teams working on grants and learning and the Justice Together Initiative have discussed complicated and often conflicting desires and issues on the question of collecting race equity data from grant partners, i.e.;

- wanting a joined-up approach with other funders;
- opposing a solely numerical approach to defining race equity organisations;
- avoiding onerous forms and data extraction;
- the conflict of our decision not to share LEF's own staff and board diversity data, while asking grant partners for theirs.

We are working on a combination of quantitative and qualitative data collection from 2025, covering the following:

- continued membership of Funders for Race Equality Alliance and working more closely with them;
- considering sharing our own staff and trustee race equity data externally from 2025;
- separating equity data collection from the application and grant agreement process, we will only ask current grant partners for this data;
- making the data collection optional for grant partners;
- easing the burden as much as possible, e.g. giving people the option of filling in forms or telling us on a call;
- asking organisations about their approach rather than imposing our own or sector standards.

We have contributed £10,000 to Lloyds Foundation research on small voluntary sector organisations run by-and-for those they serve.

In June 2023, we established an advisory panel of people with lived and learned experience of social justice issues to contribute to the development of our 2025-2030 strategy. This group has supported and challenged us and pushed the thinking of our staff team and board.

Work on the new strategy has included examining UK and international models of lawyering where legal practice is deeply integrated with social movements and grassroots activism. We have looked at increasing funding to organisations led by and for communities facing social injustice. This will drive programme development in the next year.

Governance

We completed a governance review of our subsidiary Justice Collaborations in May 2024 to ensure the governance structure was working for the initiative and met the values, including anti-racism.

A governance review of LEF is now underway which involves an analysis of where power lies in the organisation, decision making structures, accessibility and inclusion, and a skills audit including assessing our specialist knowledge of racial and disability justice and lived experience of social justice issues.

We shifted our approach and the language in our recruitment which resulted in actively attracting those with lived experience of social justice issues.

We hold regular discussions on PCI in trustee meetings, including in strategy discussions, and our PCI lead is feeding into the governance review.

People & Policies

A second annual diversity survey of staff and trustees was carried out in March 2024 with added questions on lived experience of poverty and social welfare legal issues. The anonymised findings of this survey were reviewed by our Senior Management Team. The overall findings included:

- we have a broad diversity of ethnic groups compared to the national average, and overall figures are similar to 2023 figures;
- representation of disabled people on our board and staff has increased slightly since 2023 but it is still below national average;
- a small minority of people have lived experience of poverty, and a more significant minority have lived experience of social welfare legal issues.

We have decided as an organisation not to share detailed results more widely due to our small size and the ability of findings to identify individuals, however this decision is being reviewed for 2025. Overall findings are feeding into our governance review, HR policies and our approach to recruitment.

Recruitment practices have been updated to attract and place more candidates with lived experience of social welfare legal issues and from racialised backgrounds in our staff team. We are working with consultants to improve disability access of our recruitment processes and workplace.

Progressive HR policies related to PCI have been developed for example: reasonable adjustments policy, recruitment standards and policy, leave policy including paid disabled persons leave and carers' leave.

Training

PCI training sessions for all staff take place on a minimum quarterly basis with evaluation in place. The following training took place between November 2023 – June 2024: neurodiversity in the workplace, disability confidence, trans awareness, misogyny & sexism.

Staff and trustees took part in a programme of anti-oppression workshops and readings led for us by JEDI consultants between June 2023 – Sept 2024.

A PCI training programme for our Justice First Fellows started in April 2024, with topics including disability confidence and anti-racism.

We have signed up to Ten Years' Time Community of Practice (CoP) training masterclasses, workbook and healing circles for staff and trustees starting in October 2024 covering: the history of philanthropy, building anti-oppressive governance and leadership and anti-racist practice. The aim of the CoP is to embark on a practice of redistributing wealth and control to economically disadvantaged communities of colour.

Access

Dialogue started in January 2024 with the managers of our shared office about access to our building resulting in some changes: the entrance buzzer outside the building was lowered, and a ramp installed.

We have introduced an access and inclusion checklist and guidance for all events that LEF organises. We are building better access support for Justice First Fellows including improved ways to ask for and record access needs.

Our website and workplace accessibility has improved, including integrating an accessibility menu into our website, and delivering training for line managers on recruitment and workplace adjustments.

Frameworks and networks

Our PCI work relies on working with others in the funding sector to advance equity and inclusion, as well as having frameworks to keep us accountable. We are part of the following:

- Funders for Race Equality Alliance including completing the racial justice audit;
- Institute of Voluntary Action Research 'Open and Trusting' grantmaking;
- The Years' Time Community of Practice 2024 – 2027 (racial justice in grantmaking);
- London Funders Equity and Justice Network;
- We have been reviewed by the Foundation Practice Rating for three years running and have used this rating to feed into our PCI action plan.

We are also part of the following nationwide schemes:

- Disability Confident employer Level 1;
- Living Wage employer;
- registering as a Living Wage funder.

2020 - 2025 STRATEGIC OBJECTIVES

The Foundation currently has 137 active grants distributed across the following three programme objectives that are driving our work from 2020 to 2025:

- **Stronger Sector:** Training and support for a thriving social justice legal sector.
- **Fairer Systems:** Transparency, accountability and the protection of rights.
- **Smarter Justice:** An enduring commitment to learning and evidence in the justice system.

The following section of this report summarises activities and highlights from these programmes.

Stronger Sector: Training and support for a thriving social justice legal sector

The Stronger Sector programme offers funding for organisations using the law, legal tools and strategies to promote social justice. In December 2022, we revised the funding guidelines for the Stronger Sector programme to reflect our wider charitable objects. Grants can support provision of legal advice or training, and charitable campaigning to protect, promote or develop the law to meet the needs of communities. We are especially interested in how the law can be used to build power in communities that have been historically oppressed.

We provide funding for staff costs, direct costs such as travel, subsistence or events, overheads, and small capital items such as IT equipment.

In delivering these activities, we welcome collaborations between organisations.

We also recognise the role of second-tier organisations (which support other organisations instead of people directly) in developing coordinated responses.

In many areas, the practical work funded by the programme is informing policy and advocacy work that is successfully influencing wider public policy and public funding locally and nationally.

The anticipated outcomes of the programme are:

- Improved availability, appeal and sustainability of careers in social justice law.
- A cohort of legal organisations that are effective and sustainable.

We are interested in the broad pathways organisations have for pursuing these outcomes, so the grants we make under this programme are flexible.

Highlights of work by grant partners funded under Stronger Sector

Access Social Care has led work to establish a social care legal sector community of practice to support policy and influencing work in relation to sustaining community care legal aid. Achievements include enhancing networking opportunities, securing stakeholder engagement with the Ministry of Justice and Legal Aid Agency, and providing training to LAA staff. Future plans focus on careful mediation, ongoing stakeholder engagement, and advocating for community care law issues within the legal aid system.

ACORN has been supporting community organising in Manchester and Leeds to use law to empower marginalised communities and campaign for change. In September, ACORN members, together with Debt Justice, secured agreement from Manchester City Council to carry out a feasibility study into methods of debt collection that do not involve bailiffs. This follows a successful campaign to secure £1 million from the council towards helping people struggling to pay their council tax.

Disability Rights UK has been working with Disabled People's Organisations (DPO) to strengthen capacity to offer quality advice and information. This has included developing a DPO Support Hub micro-site, hosted on the Disability Rights website, which serves as a resource centre where DPO staff and volunteers can access coproduced materials to support their skill training independently and sustainably. It has also helped more marginalised groups to work towards becoming DPOs, increasing the amount of support available for disabled people in previously underserved communities.

INQUEST and JUSTICE launched *Achieving Racial Justice at Inquests*, which provides lawyers representing families bereaved by deaths in state custody with the legal expertise to raise the potential role of race and racism at inquests. It also provides foundational knowledge and strategy to coroners to ensure they satisfy their duty in fully investigating the circumstances of these deaths.

Liverpool Access to Advice Network is providing a community of practice for the advice sector in Liverpool, supporting collaborative working, sharing skills, knowledge and infrastructure to help residents access appropriate, quality, independent advice at the earliest possible point. This year, the network coordinated a combined response for its members to the government's Civil Legal Aid Consultation bringing important frontline experience into this process.

Living Rent is supporting tenants to come together to know their rights, support each other to ensure that their rights are respected and participate in national campaigns to strengthen and improve tenants' rights.

North Wales Community Law is a new independent charity providing free, specialist legal advice addressing previous concerns about lack of access to social welfare advice in this part of the country. The Foundation supported early feasibility work to develop a new legal service and awarded longer term funding in 2022. The centre has developed particular expertise in Welsh law.

Public Interest Law Centre has been challenging systemic injustice through legal representation, strategic litigation, research and legal education. Part of its work has involved supporting local residents and grassroots campaigns to challenge injustice stemming from gentrification. Its work, which has been widely covered in the media, included successfully holding Southwark Council accountable for promises it made about the provision of social housing in new developments.

Refugee Action has developed deeper collaboration through regional communities of practice which have been established in Hampshire, West Midlands, Yorkshire and Humberside, and London. The networks have enabled reactive work to crises, for example developing and sharing guidance around the Streamlined Asylum Process, and training on the Illegal Migration Act. Refugee Action's Frontline Immigration Advice Project continues to offer support to a huge number of organisations across the UK, offering a pathway to grassroots organisations towards providing regulated legal advice, as well as a valuable resource for new staff at more established specialist advice providers.

Right to Remain publishes a step-by-step guide to the UK asylum and immigration system which has come to be a critical part of the infrastructure for the asylum and migration field. The organisation was key to work to support the sector to engage with the implications of the Conservative government's Rwanda scheme.

Scottish Women's Aid (SWA) successfully tested a model for integrating access to legal help within specialist domestic abuse services. The embedded model helped clients to feel safer and receive consistent, holistic, and understandable advice, and avoid experiences that can be re-traumatising when they access advice. The pilot has secured ongoing Scottish government funding and helped influence the delivery of legal aid for survivors of domestic violence. SWA have since built on this model working with staff and survivors across six local authorities in the Highlands and Islands. The

new pilot, which addresses the additional barriers faced by survivors in geographically remote settings, will be tested in Orkney and Shetland over the next two years.

UCL's Health Justice Partnerships team at the UCL Centre for Access to Justice have published a range of research, practice and training guides that develop the case for investment in health justice partnerships to address health inequalities. The team has also conducted significant policy engagement with Ministry of Justice and relevant health bodies.

New Stronger Sector awarded grants in 2023-24

In the year to June 2024, the Foundation made the following new grants to organisations under the Stronger Sector programme:

Organisation	Grant description	Amount	Term (months)
Asylum Support Appeals Project (ASAP)	Empowering people seeking asylum across the UK to defend their legal right to housing and financial support by building organisations skills in asylum support law through free training, an advice line and an online network of advisors and coordinating organisations to challenge systemic injustice.	£170,000	36
Child Poverty Action Group (CPAG)	Building advisers' capacity to resolve social security issues through appeals and Judicial Review and strengthen their evidence base to influence decision makers through research with social security claimants.	£284,543	36
Citizens UK	Working with a lawyer to help design campaigns around immigration policies, including housing and support provision for asylum seekers and refugees- also, where possible, bringing individual cases and using litigation to bring change in policies.	£150,000	36
Communities Empowerment Network (CEN)	Implementing the first stage of CEN's strategic plan, which aims to strengthen capacity to deliver advocacy representation, training and early intervention support services for parents of minoritised children facing exclusion from school, and to improve financial sustainability.	£120,000	36
INQUEST	Providing casework support for families bereaved by contentious state related deaths, and working directly with families to campaign and influence change in the legal, coronial and investigative framework.	£167,243	36
Justice Collaborations	Contributing to the Justice Together funder collaboration that aims to transform access to justice in the UK immigration system. As well as offering funding, it supports grant partners to build the power and influence of people with lived and learned experience of the immigration system and embed anti-racism strategies.	£800,000	12
Law Centres Network	Supporting work to strengthen the capacity of Law Centres within the network, providing practical support to heighten their impact and enhance their sustainability.	£185,000	36
Living Rent	Supporting tenants coming together to know their rights and to support each other to ensure these rights are respected and realised through local, regional and national collaborative rights-based campaigns.	£140,790	36

London Legal Support Trust (1)	Funding billing coordinator roles in multiple social welfare legal advice charities, and the development of a bespoke, accredited training course for billing coordinators utilising the Apprenticeship Levy to help address recruitment issues in the sector.	£225,000	36
London Legal Support Trust (2)	Supporting continuation of work by Inclusion Barnet and six Deaf and Disabled People's Organisations to develop and test a model for providing inclusive and effective traineeships/entry level advice posts for Disabled people, alongside career progression pathways for advice staff working in DDPOs. The funding will also support the organisations to capture and share learning about how to create and support an inclusive and sustainable advice workforce to deliver accessible advice.	£305,000	12
Lloyds Bank Foundation for England & Wales	Co-funding a research project looking at the distinct characteristics and value of by and for organisations. The research aims to increase understanding about the role equity and user-led organisations play in supporting people to overcome complex issues and barriers.	£10,000	16
Rape Crisis Scotland	Developing the capacity of the Scottish Women's Rights Centre to deliver legal and advocacy services to women survivors of gender-based violence in Scotland and influencing national policy through research and training to improve justice outcomes for women.	£249,372	36
Release Legal Emergency and Drugs Service Limited	Expanding legal services to vulnerable groups, including young people at risk of drug dependency, through the establishment of a Community Care team at the organisation.	£130,481	36
Right to Remain	Supporting public legal education work on the asylum and immigration system to increase the capability of migrants, asylum seekers and their allies navigating the system.	£185,000	36
Scottish Women's Aid	Testing a pilot model for the delivery of free legal services to victim-survivors of domestic abuse in Orkney and Shetland.	£265,344	24
Suffolk Law Centre	Supporting Suffolk Law Centre's sustainability to continue its critical legal advice and casework services in Housing and Family law, and using its learned experience to build expertise and resilience.	£196,492	36
The Unity Project	Widening access to the Change of Conditions process through policy and process change and improving support for CoC applications across the sector.	£127,444	36
Vauxhall Community Law & Information Centre	Contributing to VCLC's core costs, allowing them to hire a finance officer.	£155,000	36
Work Rights Centre	Providing employment legal advice to support migrants and racially disadvantaged workers to access employment justice.	£185,000	36
The Zacchaeus 2000 Trust (Z2K)	Ensuring people in the UK have improved incomes and housing security; dignity, fairness and respect for those interacting with social security system; more people in the UK are living in affordable and decent homes; and people with lived experience of poverty have a stronger voice in policy development, decision-making, and public debate.	£150,000	36

The Stronger Sector programme also includes wider programmes and collaborations that the Foundation has instigated in order to tackle particular strategic challenges facing the sector.

Justice First Fellowship

The Justice First Fellowship is the Foundation's scheme to support the next generation of social justice lawyers. The programme was established to tackle the barriers to a career in this area of law. We seek to provide aspiring social justice lawyers not only with the legal training they need, but also the wider skills, networks and opportunities to develop a long and rewarding career using the law as a tool for social justice.

Since 2014, more than 160 Fellowships have been awarded across all four nations in the UK over ten cohorts, with recruitment currently underway for an eleventh cohort of host organisations that will offer Fellowships starting in April 2025. The Foundation has invested around £9.4 million in the scheme so far. Further expansion in the scale of the programme has been helped by the contributions of other funders and law firms now totalling over £4.6million. AB Charitable Trust, Allen & Overy, BBC Children in Need, City Bridge Trust, Herbert Smith Freehills, Linklaters, Skadden Arps Slate Meagher & Flom and Unbound Philanthropy have partnered with us over multiple rounds.

Justice First Fellows are hosted by some of the best social welfare legal organisations in the country. Each year, organisations are awarded grants which fully fund the costs of employing Fellows over the two years of their training contracts. We now also have a track for Fellows on the Solicitors Qualifying Examination (SQE) pathway. Alongside their training, Fellows are supported to devise and run their own project aimed at increasing access to justice and helping Fellows to gain valuable programme development experience, potentially providing a future income stream for their host organisation.

Fellows reflect a diverse range of backgrounds with a large proportion coming from minoritised communities or with lived experience of circumstances where they themselves have needed the support of social welfare legal advice services. The quality of candidates is extremely high and their commitment to using law for social justice is inspiring.

We bring Fellows together over the course of the two years for additional training, development and networking opportunities. Training covers essential non-legal skills such as project development, fundraising, communications and self-care. These are always very energising events!

Since 2019, we have provided additional wellbeing support to JFFs through a partnership with Claiming Space, a social enterprise that provides training and wider resources for lawyers working with vulnerable people. Regular sessions support Fellows to learn, share and reflect on their practice around dealing with stress, vicarious trauma and burnout and to promote self-care.

During 2023-24, we travelled with two cohorts of JFF alumni to our sixth and seventh week-long learning exchanges to New York to visit inspirational organisations using law for social justice. The visit is coordinated by the US charity Centre for Justice Innovation and chaired across the week by Shauneen Lambe, a specialist social justice lawyer working in the UK and US.

In July 2024 we brought over 70 current and alumni Fellows together at a summer residential in Dundee. Feedback showed that fellows formed positive professional relationships and connections, as well as gaining wider skills, awareness and connections relevant to their work.

Within the wider Stronger Sector outcomes, JFF looks further and directly at the ability of Fellows to develop sustainable careers within social justice law and to advocate for social justice in a way that is accountable and responsive to the needs of their communities. As a result, we carefully track the

employment destinations and career development of all Fellows.

- Of the 110 Fellows that have so far graduated from the scheme, 93% are working as lawyers using law for public benefit.
- 75% of Fellows are working as social justice lawyers in not-for-profit or specialist private law firms.
- 18% are working as lawyers in the public sector including central government, local government, regulators and the courts service.
- 34% of Fellows have remained in their original host organisation. These are new jobs that have been created and sustained by hosts and Fellows.

Whilst the outcomes of the scheme so far are very positive, wider retention and organisational pressures are going to make sustaining these outcomes increasingly challenging.

In 2016, the Foundation launched a co-funding partnership with BBC Children in Need to support Justice First Fellowships in children's law organisations. Over twenty new children's lawyers have been supported since then across ten organisations. We also supported networking among the Fellows which contributed to closer connections and collaboration between their organisations.

This has since been formalised through the creation of the UK Child Law Network which the Foundation has funded, alongside Esmée Fairbairn Foundation. The network brings together ten organisations who promote best practice in legal representation for children, advance reform to policy makers, lawyers, local and national decision makers and identify opportunities for strategic litigation to advance children's legal rights. The network has been active in the period running up to the general election, and is now engaging with the new government.

Beyond the headline figures it is important to recognise that in the course of their work Fellows every day are making valuable contributions to their communities at an increasingly significant scale – delivering casework across all areas of social welfare law, developing new services, carrying out research, collaborating with each other and with other organisations, making strategic use of law in tribunals and higher courts, including up to the Supreme Court, authoring regular articles in the press, and being interviewed about their work.

This year, the Foundation has invested £1.7million in the JFF scheme.

Twelve new Justice First Fellows (cohort ten) began their Fellowships in 2024. The following host organisations were all awarded funding over two years to cover the costs of employing and supervising Fellows:

- Asylum Aid*
- Citizens Advice Bradford & Airedale and Bradford Law Centre
- Community Law Service*
- Derbyshire Law Centre
- Islington Law Centre
- Joint Council for the Welfare of Immigrants (JCWI)*
- Just for Kids Law*
- Luton Law Centre
- Merseyside Law Centre
- Norfolk Community Law Service
- Shelter
- Tower Hamlets Law Centre

* Co-funded with AB Charitable Trust

** Funded by Skadden, Arps, Slate, Meagher & Flom (UK) LLP

The Community Justice Fund

The Community Justice Fund was established in March 2020 as a response to the coronavirus pandemic and the challenges posed to the legal advice sector and those it supports. The Foundation worked together with other independent funders, AB Charitable Trust, Access to Justice Foundation, Indigo Trust and Therium Access to raise and distribute resources quickly to where they were needed. The work was driven and overseen by a steering group made up of advice sector umbrella bodies and frontline organisations.

Over £17million was raised and distributed via an initial three rounds of grants, with substantial contributions from the Ministry of Justice and the National Lottery.

Through 2022-23 the CJF partners worked together on a successful bid to the National Lottery for £30million to support a legacy fund coming out of CJF called Improving Lives Through Advice (ILTA). This fund has gone on to be administered by the Access to Justice Foundation. Twenty-three current LEF and JTI grants partners went on to be funded by ILTA receiving grants up to £500,000 over up to five years.

Whilst the direct collaboration on the Community Justice Fund has now drawn to a close, we continue to work with partner funders and the field to address the structural challenges facing the legal advice sector.

Fairer Systems: Transparency, accountability and the protection of rights

Under this programme, we fund charitable work that promotes transparency, accountability and the protection of human rights, including economic and social rights. This means that we fund organisations working to hold government institutions and policymakers to account so that they exercise power in the interests of communities and uphold fundamental rights and freedoms.

The programme funds work across the UK with organisations aiming to influence national, devolved and local governments. We particularly value community-led and lived experience-led approaches. We provide funding for staff costs, direct costs such as travel, subsistence or events, overheads and small capital items such as IT equipment.

In delivering these activities, we welcome collaborations between organisations. We also recognise the role of second-tier organisations (which support other organisations instead of people directly) in developing co-ordinated responses.

We work with organisations to ensure funded work operates within the Charity Commission guidance on campaigning and political activity. In May 2023, we commissioned specialist charity lawyer Rosamund McCarthy at Stone King to produce updated guidance on charity campaigning and the Elections Act, to share with grant partners and the wider field.

The anticipated outcomes of the programme are: Law making processes are transparent, accountable and protect human rights, and government digital systems, processes and use of data are clear, fair, and protect people's legal rights.

We are interested in the broad pathways organisations have for pursuing these outcomes, so the grants we make under this programme are flexible.

Spotlights on work by grant partners funded under Fairer Systems

Action for Race Equality published their Windrush Manifesto ahead of the general election, with eight crucial Windrush justice action areas for the new government.

Centre for Military Justice have continued to offer a thoughtful perspective on human rights, applied through their military justice lens. They brought a legal challenge to the Legacy Act on behalf of family members of a British soldier killed in Northern Ireland.

Following campaigning by the Centre for Women's Justice with Rape Crisis England & Wales, End Violence Against Women Coalition, and Rights of Women, the government accepted an amendment in the House of Lords that will raise the legal threshold for when rape survivors' counselling notes can be requested by the police. Once the law comes into force, police requests for counselling notes will only be permitted where an investigating officer "has reason to believe that the information sought is likely to have substantial probative value". As CWJ say, "This is a big win for survivors' rights to privacy, justice and healing."

Child Poverty Action Group published its report *You Reap what you Code*, an in-depth and systematic analysis of how Universal Credit claims, decision making and communication, and dispute processes align with the social security legislation that underpins them, and the wider rule of law principles of lawfulness, procedural fairness and transparency. The report secured significant commitments from Department for Work and Pensions to action some of their recommendations.

Equally Ours updated their messaging guide on how to talk about the Illegal Migration Act, human rights and the European Convention on Human Rights. The guide has been updated in light of the Rwanda plan and to include specific messages on the universality of human rights. The guide includes 'dos and avoids' for talking about immigration, human rights and the ECHR, along with some example messages to use or adapt.

Hansard Society, Public Law Project and Welsh Governance Centre carried out extensive work to monitor developments in relation to the Retained EU Law (Revocation and Reform) Act 2023 which made major changes to the body of retained EU law in UK domestic law. This work contributed to the decision by government, in May 2023, to scrap the proposed sunset clause, which would have automatically revoked most retained EU law at the end of 2023 including employee protections such as agency worker regulations, working time regulations, TUPE, and maternity and parental leave regulations. At least 600 pieces of retained EU law are set out in a revocation schedule. The Civil Society Alliance remains active in working to maintain and improve standards and accountability in the proposals that remain.

Human Rights Consortium NI released a statement in preparation for the restoration of the Northern Ireland Assembly and the Executive saying, "We must never again be forced to watch as our standards of protection continue to fall because of political disagreements and standoffs." They also released a briefing note on how the Rwanda bill represents a violation of the Belfast/Good Friday Agreement. The High Court in Belfast ruled to disapply multiple provisions of the Illegal Migration Act in Northern Ireland and HRC NI gave evidence in the case.

Human Rights Consortium Scotland and Just Right Scotland coordinated civil society in Scotland and across the UK around the consultation on new human rights legislation in Scotland. Their response welcomed the government's intention to incorporate more human rights into Scots law but argued the consultation lacked sufficient proposals for accessing justice when rights are violated. Recommendations included ensuring clear avenues for redress, maximising human rights incorporation within devolved powers, making disabled people's rights enforceable, and providing clear timelines for when new public body duties become enforceable.

JUSTICE and the UCL Constitution Unit published high profile reports on renewing the UK Constitution which received significant attention in the media as well as from parliamentary parties, especially Labour. Both reports give very specific recommendations for the next government on a wide range of issues concerning constitutional matters and the rule of law. The Constitutional Development Forum, a group of constitutional experts many of whom are funded by the Foundation including the Bingham Centre, the UCL Constitution Unit, the Hansard Society, the Welsh Governance Centre and Public Law Project, have been convening regularly to consider significant constitutional questions and potential reforms.

openDemocracy has secured improvements in legal transparency and holding public institutions to account. A strong relationship with the Information Commissioner's Office has led to enhanced Freedom of Information enforcement and direct consultations on public interest cases. The project secured key disclosures, such as ministerial diaries from the corona virus pandemic, and influenced parliamentary committees. Despite setbacks, including FOI delays and exclusion from key groups, the project has delivered impactful reports, secured tribunal cases, and driven transparency improvements within government departments.

Liberty brought a successful case against the Home Office in relation to the Police, Crime, Sentencing and Courts Act. The court ruled this to be unlawful. This case brought together three of our partners Liberty, as well as Public Law Project as intervener and Hansard Society whose extensive research on secondary legislation was cited. The case is an example of how funding by the LEF on constitutional and human rights work supported important collaboration in the sector of research, campaigning and legal action, successfully challenging the extensive use of executive power and democratic deficit in the legislative processes. The case was led by a Justice First Fellow alumna, Katy Watts.

Suzy Lamplugh Trust (SLT) and Centre for Women's Justice submitted evidence to Parliament on the Victims and Prisoners Bill. Both were also signatories to the Violence Against Women and Girls (VAWG) sector joint manifesto, co-signed by 70 organisations, calling for all political parties to end violence against women and girls, and setting out a series of priorities for a new government. Tackling VAWG is a now clear priority for the incoming Labour government with civil society organisations and LEF grant partners well-placed to engage. SLT, in a coalition campaign with others in the VAWG sector, secured a commitment to protect women and girls in the Online Safety Bill. Ofcom is now required to develop guidance for tech companies to reduce harm to women and girls. SLT is working to ensure online stalking is included in this guidance.

Public Law Project has developed and launched a unique Tracking Automated Government (TAG) Register documenting where automated decision-making is being used. It currently covers 55 automated tools, of which only 1 is classed as high transparency. Their work on the use of AI was featured in an Economist film, and the Government's response to a consultation on AI regulation includes a requirement on departments to use the Algorithmic Transparency Recording Standard, as PLP had advised.

A series of grants since 2019 have supported civil society in all four nations to engage and respond to changes in the constitutional, legal and governance context instigated by Brexit and to develop coordination between organisations across the UK. In March, the Welsh Governance Centre led the annual convening of this network at a Four Nations Civil Society UK Summit in Cardiff.

Racial justice

An analysis of our Fairer Systems grants in 2023 showed that while some of our grant partners work on racial justice, this represented only a small proportion of their work. We wanted proactively to do more to support organisations that were primarily targeting systemic racism and organisations with black-led leadership. In the short term, we set out to identify, encourage to apply, and support organisations through the application process, and over the mid to long term we will seek to develop

a cluster of organisations covering constitutional and HR issues with regard to racial justice with the aim to feed into ongoing government processes, commissions and reviews.

Outreach work from summer 2023 to the end of the year included a series of meetings with funders and organisations, more regular exchange in the LEF team and JTI around PCI, sharing experiences and input from other funder networks and initiatives such as the Funders for Race Equality Alliance on anti-racist funder practices.

This led to a series of grant awards at our Spring 2024 round, focused on where organisations are using the law to challenge practice on racial justice in public sector organisations. Funding awarded is as flexible as possible or core. An additional development is that in conversations we identified organisations who are looking to develop more strategic litigation work on racial justice and saw the LEF as a potentially important partner in this development. This means that there is potential to work with these organisations along with other LEF grant partners and Justice First Fellows.

We would like to develop more relationships with organisations on policy and organising and supporting work to coordinate efforts around specific issues. We are also exploring collaborating in pooled funds on racial justice.

Policy convening for grant partners

We held our first policy convening event for grant partners with Martha Spurrier, former Chief Executive of Liberty, at the end of May. This hybrid event was attended by over 30 organisations, and the discussion covered challenges and opportunities in engaging with parliamentarians and lessons learned on influencing government. We are holding a series of events throughout the summer and autumn including a follow-up workshop with Martha in late July on working with parliamentarians, and two workshops with think tank Bright Blue on working with the Conservatives, as well as a session led by Just Fair to convene a sub-group of partners working on economic and social rights. This pilot of policy convenings was developed in response to partner requests for greater engagement and information sharing from funders. We are looking to develop and expand this offer over the coming year.

New Fairer Systems grants awarded in 2023-2024

In the year to June 2024, the Foundation made the following new grants to organisations under the Fairer Systems programme.

Organisation	Description	Amount	Term (months)
Action for Race Equality	Increasing and strengthening the Windrush Justice ecosystem by building policy capacity at the grassroots level, and supporting engagement with policymakers. Part of a cluster of grants on racial justice.	£125,000	24
Criminal Justice Alliance	Supporting Criminal Justice Alliance's work to reduce racial inequality in the justice system. Part of a cluster of grants on racial justice.	£125,000	36
Economic, Social and Cultural Rights in the UK (Just Fair)	Supporting Just Fair to inform and hold to account decision-makers across the UK on their economic social and cultural rights (ESCR) obligations, develop the capacity of others to do the same, and build a movement of people and communities working for improved ESCR protections and access to justice, across the UK.	£90,000	24

The Constitution Unit (University College London)	Supporting research and analysis and convening a forum of research-based organisations to promote high constitutional standards among policymakers, media and the general public.	£209,968	22
The Centre for Progressive Change	Funding the Safe Sick Pay Campaign Senior Organiser, who will work alongside affected workers, businesses and a range of civil society groups within key local constituencies in England and Wales to influence key MPs, ensuring the successful implementation of long-needed reforms to the UK's statutory sick pay system.	£50,000	12
Human Rights Consortium	Supporting the work to protect and promote the Belfast/Good Friday Agreement and the Article 2 powers of the Windsor Framework, working to enhance human rights legislation in Northern Ireland and campaigning to incorporate and comply with international human rights standards.	£230,000	36
Maternity Action	Challenging the lack of procedural fairness in the administration of the NHS visitor and migrant cost recovery programme through strategic, evidence based public law challenges and influencing work which centres lived experience.	£120,000	24
openDemocracy	Supporting scrutiny and investigation into the suppression of legal rights in the UK, engaging directly with the communities affected and working to increase public understanding of the real-world impact of recent legislation, and working to influence change.	£80,000	18
Public Law Project	Supporting PLP's core area of work towards fairness, legality, and accountability in public law, focussing on enhanced constitutional accountability, increased transparency and fairness in government use of tech, and improved access to justice.	£300,000	36
Scottish Women's Aid	Scoping phase: Scoping potential models for the delivery of legal service provision for victim-survivors of domestic abuse in rural and island communities in Scotland.	£40,000	4
UNJUST CIC	Supporting research, advocacy and litigation that challenges racial discrimination in policing, through collaborating with impacted communities and human rights organisations. Part of a cluster of grants on racial justice.	£157,152	36
Welfare Benefits Unit	Undertaking a national level scrutiny of Targeted Case Reviews: a process due to impact two million Universal Credit claimants in the next five years.	£181,643	24

Smarter Justice: An enduring commitment to learning and evidence in the justice system.

Work by the Foundation from 2015 onwards identified challenges and opportunities for taking forward an evidence-based approach within the civil justice system. The launch of the £1bn digital court programme in 2016 created a particular opportunity to influence this government initiative towards collecting better data and evidence, and this became a major focus of the Foundation's work between 2017 and 2023. This work was brought together under the banner of the Justice Lab and led to success in raising the profile of this question amongst relevant public and Parliamentary bodies, and to the establishment of new data governance approaches for justice and courts data. In June 2023, the Trustees reviewed the progress made by the Lab and decided that its operations would in future be integrated and taken forward through the Foundation's grant making. The resources and reports that the Lab produced continue to be available online. We will use the remaining period of the current strategy to explore how we will develop our future work on data and evidence in the next strategy.

This year, two grants have been awarded under the Smarter Justice programme.

Organisation	Description	Amount	Term (months)
The Femicide Census	Supporting the annual gathering, analysis and distribution of unique data on women killed by men, and working to ensure this data drives improvements in the protection of women and contributes to broader legal and policy change.	£100,000	36
Policy in Practice	Working with Coventry City Council and Central England Law Centre to explore using administrative benefits data to understand the impact of legal support in improving housing and social welfare outcomes among low-income populations.	£147,130	8

Grant-making process and practice

Open and Trusting

We reflect carefully on our practice as a funder, seeking to develop trusting relationships with our grant partners. As part of this work, we have joined with over 100 other grant makers in signing up to the eight commitments contained in the Open and Trusting grantmaking campaign launched by the Institute for Voluntary Action Research and London Funders. The commitments are:

Don't waste time	Be open
Ask relevant questions	Enable flexibility
Accept risk	Communicate with purpose
Act with urgency	Be proportionate

We have made progress on shifting our funding practice to make longer term, more flexible grants and to make our programmes more accessible and open to a wider pool of organisations. We have successfully reduced the number of unsuccessful applications at first and second stage by making our guidelines clearer and spending more time speaking to organisations before and during the application and assessment process.

We publish all our grants data on 360 Giving.

We continue to place an emphasis on our work being rooted in people's lived experience of social injustice. We have received a higher number and proportion of applications from new organisations that we have not previously funded. Continuing the trend from previous rounds, at our Spring 2024 round over three quarters of 1st stage applications were from organisations we have not previously funded. This compares to 45% average across the current strategy. This reflects the proactive work we have done to reach out to new organisations, particularly those working on racial justice.

Wellbeing

We recognise that the people working in our grant partner organisations have to find ways to survive and uphold values and principles in the context of extreme challenges and difficulties. The principal mechanism for us to support them is grants, and the work identified above to strengthen our commitment to long term, core funding is key to this. However, this year, we wanted to look in more specific ways at measures to support staff wellbeing. For our Spring 2024 grants, we automatically

provided an additional £5,000 uplift to awards for grant partners to use on organisational and/or individual wellbeing activities. In July this year we will hold an event for partners to share information and ideas of how the funding could be spent. We are aware of similar initiatives by other funders, such as Esmée Fairbairn Foundation, and are exploring the potential for shared learning.
















The main aim of the pilot is to understand how to build wellbeing support into the Foundation's new strategy. Specifically, we want to understand:

- Grant partners' views on the broad approach taken to supporting wellbeing (ringfenced funding rather than additional contribution to core);
- Grant partner's views on the process;
- How grant partners have used the funds and any challenges;
- Early indications of what has happened/ changed as a result of the funding;
- What other support grant partners receive on organisational resilience and wellbeing, and the scope to align our approach with that of other funders and whether a more joined-up approach would be valued.

Investing for Social Justice

This year, the board has instigated a new programme of work to align our investment strategy more closely with our mission. Up to this point, the Foundation's approach to investment had been to invest funds and to use the returns to support grant programmes and operations. Whilst there has been a closer focus on Environmental, Social and Governance (ESG) considerations within our investments, the investment strategy had not connected directly with our wider mission. It meant we were missing opportunities for using our investment assets, alongside our grants and direct work, to bring about our goals. We were conscious too of the justified wider scrutiny of funder practice to ensure investments are not undermining or contradicting mission and values. We felt there was an opportunity to take forward a more unified strategy.

For the Foundation, the Social in ESG connects particularly closely with our mission. ShareAction, a charity that works with investors to harness the power of investments for environmental and social improvements, summarises the range of topics covered by S as follows:

Symbol	Topic	Sub-topics	Symbol	Topic	Sub-topics
	Diversity and inclusion	Board-level diversity and inclusion, investee company-wide diversity and inclusion		Disclosure of social data	Gender pay gap, ethnicity pay gap
	Supply chain due diligence	Supply chain due diligence		War and security	Controversial weapons, conventional weapons, conflict-affected and high-risk areas
	Public health	Alcohol, pollution, gambling, human nutrition, tobacco, access to medicines, vaccine equity, antimicrobial resistance, quality of housing, high-cost debt/financial wellbeing		Labour rights	Freedom of association and collective bargaining, discrimination and harassment, grievance mechanisms and access to remedy, modern slavery and forced labour, child labour, workplace safety, workplace mental health, living wage, executive remuneration
		Alcohol		Data privacy	Data privacy
		Pollution		Indigenous rights and FPIC	Indigenous rights and FPIC
		Human nutrition			
		Tobacco			
		Access to medicines, vaccine equity, antimicrobial resistance			
		Quality of housing			
		High-cost debt/financial wellbeing, gambling			

Some of these areas relate to principles of good corporate citizenship, such as diversity and inclusion, public health, war and security, disclosure of social data and data privacy, where good performance promotes overall progress on issues that are relevant to social justice. Others connect more directly with the Foundation's focus on the specific role of law in promoting social justice, for example, protecting and extending labour rights, meeting legal obligations in supply chains such as the Modern Slavery Act, ensuring safe working conditions and ensuring non-discrimination. For the Foundation, we would additionally draw out areas such as digital technology, in particular automated decision making, being developed in line with rule of law principles of transparency, accountability and protection of rights. These are all areas where the Foundation has active and expert grant partners.

We have a lot to learn as we take this work forward. To help us, we have joined the Charities Responsible Investment Network and benefited already from the support from the team there and the other foundation members.

We have also joined Share Action's Good Work Coalition which brings together investors to engage companies to promote good work standards including the living wage, tackling insecure work and action on diversity and inclusion.

Another key relationship for us in this work is with our fund managers Sarasin & Partners. Their expertise and commitment to ESG investing was a major factor in the board deciding to appoint them as our new managers in 2021, and we are now engaging with them more closely to better understand their approach to company selection, reporting of stewardship and application of ESG criteria and monitoring of sin industries.

This work is being carried out under the banner Investing for Social Justice and it will involve (i) extending direct engagement with companies around improving performance in the Social category (ii) considering divestment when company engagement does not result in meaningful progress towards better performance on Social criteria and (iii) engaging with wider work to shape the policy and regulatory environment in favour of improved performance on Social criteria. A particularly exciting dimension to the work is engaging our existing grant partners who have expertise in these areas where our investments may provide a new tool to exert influence.

Communications

We recognise the importance and power of good communications in delivering our vision, mission and strategy. Our current communications activities are delivered via a combination of internal capacity and external consultancy around key goals and outputs.

Work carried out by and funded by the Foundation has been covered widely across mainstream television and radio outlets, in newspapers including The Times, The Guardian, a wide range of local press, trade press and on social media.

This year, we have consciously boosted our communications capacity and expertise in the staff team and board. We now distribute a comprehensive monthly newsletter for staff and trustees and a more regular social media presence. In June 2024, we appointed consultants William Joseph to work with us on ensuring communications are at the heart of our work to operationalise our new strategy and be fully integrated with our grantmaking, collaboration, learning and influencing. We want our external communications to better reflect our work and where we are going as an organisation. We will also be redeveloping our website ahead of the launch of our new strategy.

JUSTICE COLLABORATIONS

The Foundation's subsidiary charity, Justice Collaborations (charity number: 1187441), provides a vehicle for hosting joint programmes with other foundations. The first Justice Collaborations programme is the Justice Together Initiative (JTI).

JTI is a ten-year collaborative programme with a vision that people who use the immigration system can access justice fairly and equally, so that they can get on with their lives. Its mission is to build a community of people and organisations with diverse backgrounds, strengths, and experience to transform access to justice in the UK immigration system. Through grant-making and collaboration, we are connecting lived experience, front-line advice and influencing strategies to create lasting change. Since the Initiative was established, the war in Ukraine and the cost-of-living crisis have further exacerbated the pressures on providers.

JTI funding is being distributed through open grant rounds, phased across regions and devolved nations. Funding is long term and includes costs of management support, staff care and embedding anti-racism strategies. Grant partners funded by the programme are shaping the community of impact created by the scheme, connecting regularly to share intelligence, tackle shared issues and build stronger action for change. JTI aims to fund in a way that seeks to bolster the health, dynamism, sustainability and influencing capacity of the sector over the next decade. By the end of June 2024, JTI had supported 41 main grant partners and 81 Partner organisations with funding over £15million. Grants are available under two themes:

1. Influencing - these grants support organisations to build influencing capacity, such as through hiring community organising and influencing staff (with a focus on those with lived experience of the immigration system).
2. Advice and representation - these grants support organisations to develop more capacity to deliver more, and better quality, advice services. This can be through hiring new advice staff, with a particular focus on those with lived experience, upskilling existing staff, and entering into partnerships with networks of local organisations to develop advice strategies.

Alongside this funding, JTI also supports grant partners through a Community of Impact that provides workshops and training designed to build capacity and networks. There is an explicit anti-racist element to JTI's work, along with an aim to increase the numbers of people with lived experience working in the sector. This is reflected in the decision making for the programme as a whole which is governed by a grants committee with the majority of its members having personal lived experience of the immigration system.

Learning work carried out by independent consultants has captured the value grant partners place on the thoughtful, expert and relational way in which the JTI staff team work with - and support - the grant partners. This has enabled grant partners to develop a sense of partnership and build trust with JTI, and to raise any issues with staff openly.

There has also been demonstrable and concrete progress towards the Initiative's goals:

Goal 1: A more just and equitable immigration system

Influencing capacity has been built through the funding of increased staff posts. There is also evidence that organisational understanding of strategic litigation and strategic communications and messaging has increased as a result of JTI's support. Grant partners have worked together on a number of key immigration policy issues and had success despite the difficult political and policy context.

Goal 2: Immigration organisations are more sustainable, better networked and more representative of the communities they serve

Grant partners have strengthened and developed their capacity through JTI's funding and support. They have more paid staff, attracted further funding (beyond JTI funding), and staff have gained new skills and qualifications. Grant partners have also developed stronger, wider networks as a result of being part of the Initiative including wider formal partnerships with other local migration sector organisations; stronger local and grassroots partnerships; and an increased ability to refer between organisations. Moving towards a more professionalised approach with better qualified staff and greater capacity has enabled grant partners to be more strategic in their approach to tackling local and national issues.

Across both Goals 1 & 2, greater numbers of people with lived experience are being employed: We funded 21 Influencing positions, 20 of which have been taken up by people who have lived experience of the immigration system. We have funded 52 legal advice posts, all of whom are specialists (OISC level 2 and above). 32 of these advisors and lawyers have lived experience of the immigration system.

Goal 3: More people are able to secure justice

Progress here is reliant on progress being made towards outcomes in Goals 1 & 2. In particular, improved referral routes, increased numbers of staff, and enhanced access to supervision, training and well-being support for staff are intended in the medium-term to increase people's access to good quality, timely legal advice and support. The evidence in this report of progress towards these outcomes, therefore, suggests that headway is also being made towards Goal 3.

From January – December 2023, 9,598 people were advised by our grant partners receiving specialist immigration advice. (this number represents the number of people advised by Justice Together funded advice posts, for grant partners that have had a least one full year of funding).

There is also further evidence of progress towards this goal: the number of people grant partners anecdotally report as being able to access support has increased, and the quality of the advice and support they are able to offer has improved. However, it is difficult to robustly quantify this increase, as grant partners collect the data in different ways. It is clear that grant partners are operating in an exceptionally challenging context, and questions about the sustainability of the work are very pressing – they would like JTI to hold open conversations about the plans for future funding and sustainability. JTI has done a significant amount of thinking, reflecting and strategising about its work and practice – communicating and discussing this further with grant partners and funders would be welcomed.

2025-2030 STRATEGY DEVELOPMENT

Alongside the ongoing delivery of all our work set out above, we have devoted time to developing a new strategy for 2025-2030. This has involved extensive reflection, research and discussions with the board, within the staff team, with grant partners and the wider field.

Our work has also been greatly helped by our independent advisory group which has met regularly since June 2023. Panel members bring a particular focus on frontline and lived experience of social justice work and have provided input and advice to the staff team and Trustees, helping us to reflect, learn and gather insights that are making practical differences to how the Foundation's funding will be distributed and the nature of the work prioritised. The members of the group are:

- Farida Elfallah, Associate Solicitor in the Scottish Refugee & Migrant Centre, and Justice First Fellowship alumna.
- Fazilet Hadi, Head of Policy at Disability Rights UK, and a Non-Executive Director at Cambridgeshire Community Services NHS Trust.
- Avila Kilmurray, Migration and Peacebuilding Executive at The Social Change Initiative, and member of the Foundations for Peace Network and the Expert Advisory Committee of the Institute for Integrated Transitions.
- Chrisann Jarrett MBE, CEO of We Belong, Trustee of the Queen's Commonwealth Trust and member of UCL Policy Lab Advisory Council.
- Alexander Lyons, consultant, trainer and facilitator in diversity, inclusion, culture and communications.
- Deniz Ugur, Deputy Director of the End Violence Against Women Coalition and Trustee of the New Economics Foundation.

Organisational developments

This year, three members of our board moved on: Monica Risam, Hetan Shah and Jonathan Freeman. We are grateful to them all for the important contributions they each made to the Foundation. Barbora Bukovska, Senior Director for Law and Policy at ARTICLE 19, and Rebecca Gray, CEO of Maudsley Charity and former Director of Communications and Information at the Kings Fund joined the board this year. Barbora has joined our Grants & Learning Committee. Rebecca has joined the Investment Committee and is chairing a special trustee group focused on our communications.

Four members of staff moved on this year: Simon Davey, Tracey Gyateng, Clare Johns and Nikki Letley. We wish all of them very well. Both Clare and Nikki were part of the original team of College of Law staff who played such important roles in helping the Foundation make the successful transition from law school to charitable trust. We welcomed eight new staff Anna Béar - Communications Officer, Chantal Cross - Human Resources Projects Manager (fixed term), Paresh Dodhia - Head of Finance, Sarah Fullegar - Senior Operations and Governance Officer, Hannah Hajee-Adam - Grants Officer, Joy Matthew - Grants Officer, Annie Rockson - Community of Impact Manager on the Justice Together Initiative and Sara Salehzehi - Operations Assistant. All of them are very welcome and are already making great contributions to the team. This takes the number of staff in the organisation, including our subsidiary, to 27 people, 11 of whom are part time.

We have also benefitted from the support of consultants Lena Baumgartner, Matt Howgate, Shauneen Lambe, John Mulligan and Martha Spurrier who work with us bringing specific areas of expertise and networks. We are very grateful to them for their work with us, our grant partners and Justice First Fellows.

We have continued to invest in our organisational structures and systems to ensure the Foundation operates efficiently and effectively and supports our commitment to relational grant-making. This year saw continued focus on our digital and IT systems with work across cyber security, our internal administrative systems and IT infrastructure. We have continued updating our HR policies and pay and benefits structure to ensure we are an excellent employer with an open and inclusive culture. Our investment in internal communications is part of creating strong connections between people across the organisation particularly as, like lots of organisations, we embrace the advantages of hybrid working in ways that support the energy and drive of our colleagues.

This year we carried out a governance review of our subsidiary Justice Collaborations and have recently begun a similar review of the Foundation as a whole. This is a timely opportunity, ten years into our life as a Foundation, to reflect on our governance and its role in driving our work as a social justice funder.

Our Risk Register is used actively by our Senior Management Team and board to monitor risk and monitor the impact of mitigating actions.

We have strong financial systems and procedures that underpin sound management of our finances, investments and the College of Law Pension and Assurance Scheme (COLPAS). COLPAS is now chaired by a professional Trustee.

Foundation priorities for 2024-2025

The Foundation will:

- Conclude our work under the 2020-2025 strategic plan. Applications to our Stronger Sector and Fairer Systems programmes will be considered in one open round in Autumn 2024 and one closed round for existing grant partners in early 2025.
- Continue to deliver and develop the Justice First Fellowship programme.
- Continue to host the Justice Together Initiative.
- Undertake proactive collaboration, grantmaking and advocacy in wider pursuit of our strategic objectives.
- Develop further the Foundation's use of communications in engaging with the field.
- Continue to strengthen operations to ensure the Foundation works efficiently and effectively.
- Develop further the Foundation's practical progress on Power, Culture and Inclusion.
- Complete operational planning for the launch of the 2025-2030 strategy.

It is clear from the scale and scope of the work described in this report that while we operate in what can seem like a bleak environment, there remains a great deal of positive energy and commitment among communities and within the sector to use the law as a tool to promote social justice. Staff and Trustees of the Foundation are consistently impressed by the creativity and compassion demonstrated by the organisations with whom we partner and fund, often working in very challenging circumstances.

As we progress into the second decade of the Foundation, Trustees acting as custodians of our asset base, are considering how best to allocate our resources – where, how much, for how long - to encourage and enable effective use of the law as an ally not a threat. In partnering with those most affected by injustice we hope to support their voice and facilitate opportunities for positive responses in law, policy and practice.

On behalf of the Board, I want to thank our staff, led so ably and with vision by our CEO Matthew Smerdon, together with the range of advisors, consultants and friends of the Foundation for their insights, time and effort in seeking to secure a more just and fair society across the UK. To my colleagues on the Board, I am grateful for your advice and guidance and your tolerance as we deliver

current strategic aims and establish new priorities that reflect changing times and will guide us through the next five-year period.

Paddy Sloan
Paddy Sloan (Oct 31, 2024 16:11 GMT)

Paddy Sloan (she/her)
Chair

FINANCIAL REVIEW

Results for the Period

The Financial Statements for the period are set out on pages 49 to 76. These show that the Group had a total expenditure of £16.2 million for the year (£13.8 million in 2023), with net expenditure before investment gains of £5.9 million (£2.0 million in 2023).

The equivalent figures for the Foundation on a standalone basis are a total expenditure of £12.3 million for the year (£11.2 million in 2023), with net expenditure before investment gains of £5.0 million (£5.8 million in 2023). All of the Foundation Group's assets are held for the purpose of meeting the Foundation and its subsidiary's charitable objects.

There were no significant financial events during the year that impacted the Foundation's strategy for meeting its objectives. The investment asset allocation of the Capital Fund is based on being able to deliver a real return of 3.5% per annum over a period of seven or more years.

Over the full twelve months to 30 June 2024, the Foundation's investment portfolio generated a return of +11.9% (2023: -6.2%). During the period, there was a rise in both equity and bond markets, positively impacting the returns in the portfolio compared to last year.

More information is contained in the Investment Management and Performance section of this report.

Principal funding sources

The principal source of funds for the Foundation is the return on the Capital Fund. In addition, the Foundation has been awarded restricted grants from other organisations to the value of £617k (£152k in 2023) in the year.

The principal source of funds of the Foundation's subsidiary is restricted grants from other charitable foundations and organisations (2024: £4.3 million; 2023: £8.0 million).

Cash flow and cash levels

The Foundation's investment strategy is constructed on a total return basis. The Foundation is entirely funded from its investments and grants from other organisations.

In the financial year to 30 June 2024, £9.5 million (£9.8 million in 2023) was taken from the Capital Fund for grant and operational expenditure.

Cash balances in the Foundation as at 30 June 2024 were £4.8 million (£4.4 million in 2023). In 2024, £3.6 million (£3.5 million in 2023) of this sum was earmarked for future grant commitments.

A further part of the Foundation's working capital is held in a portfolio of sterling, investment grade, short dated corporate bonds. The value of these bonds is included in Current Asset Investments (note 9) at a market value of £5.3 million as at 30 June 2024 (£5.0 million in 2023). It is the intention to hold each bond until its maturity.

In addition, cash balances in the subsidiary as at 30 June 2024 were £3.4 million (£6.1 million in 2023).

The Governors have noted that liquidity levels are projected to remain adequate for all operational and currently planned grant expenditure purposes.

Treasury management

Treasury activities are undertaken under defined procedures, which are approved by the Finance, Audit and Risk Committee, with advice from the Investment Committee when required. The Foundation aims to maximise its return on any liquid funds mostly through short term corporate bonds, referred to above, and short-term fixed deposits subject to the proviso that these deposits are only placed with financial institutions whose credit ratings meet standards approved by the Investment Committee. During the year these remained as being institutions with an AA long-term credit rating or an institution defined by HM Government as systemically important.

Pensions

Although the Foundation sold the legal education and training operation of The College of Law on 30 November 2012 it has retained employer responsibility for the College of Law Pension and Assurance Scheme (COLPAS) which is a defined benefit scheme. It was closed to new entrants in 2019 and closed for future accrual of service by active members as from 31 August 2021.

The most recent full Triennial Actuarial Valuation of COLPAS as at 1 July 2021 showed a surplus, on the Statutory Funding Basis, of £23.2 million. The COLPAS Trustees have been continuing a Liability Driven Investment Strategy with the objective of reaching a full buy-out basis over the medium term. Its assets are invested in bought-in annuities, gilts, leveraged gilts, corporate bonds, asset backed credit, private credit and cash. No assets are held in equities.

The Foundation uses four measures of pension scheme valuation. The Scheme Actuary has extrapolated figures from the last full Actuarial Valuation, together with actual data where known, to provide the figures set out below:

Basis	30 June 2024		30 June 2023	
	Funding %	Surplus/(Deficit) £Million	Funding %	Surplus/(Deficit) £Million
Statutory Funding	104	9.0	102	3.3
FRS102 Valuation	105	6.7	116	14.3

The Governors are in discussion with the Trustees of COLPAS with a view to working towards a buy-out and wind up of the scheme in the medium term. The Finance, Audit and Risk Committee are currently at an exploratory stage with the Trustees of COLPAS who are engaging with a variety of external advisers to ensure the scheme is in the best position to approach insurers for buy-out quotations. The Finance, Audit and Risk Committee will be considering a suite of options during 2024/25 which will form the basis of a proposal to the full Board of Governors.

Reserves policy

It is the Governors' policy to maintain the Fixed Asset Investments, otherwise known as the Capital Fund, at £200 million in real terms based on 30 November 2012 and for the Fund to provide a sustainable amount for grant and other expenditure purposes each year over the long term. At 30 June 2024 the value of the Capital Fund was £289.0 million (2023: £271.3 million) compared to a target maintained real value of £300.8 million (2023: £272.3 million).

The general funds, after deducting the pensions liability, are the free reserves of the Foundation. The balance on restricted funds at 30 June 2024 was £4.8 million (£6.5 million in 2023).

Group Foundation

	£000's	£000's
Total Funds	291,509	285,817
Less: Restricted Funds	(4,825)	(3)
General Funds	286,684	285,814
Less: Amount held for Pension Liability	(1,797)	(1,797)
Free Reserves	284,887	284,017

It is the Governors' policy that the free reserves should increase to reach the value of the Capital Fund over the long term. The pension liability (£1.8 million; see note 14) is expected to reduce as a result of payments over a period of more than 10 years the Governors do not consider that any immediate action to reduce the current shortfall is required.

The Governors and the Finance, Audit and Risk Committee monitor the level of reserves throughout the year by reference to forecasts provided to them which include calculations and commentary on reserve levels.

INVESTMENT MANAGEMENT AND PERFORMANCE

Investment policy

The Foundation's investment policy is intended to provide long term stability and liquidity sufficient to maintain the real value of the Capital Fund after transferring funds for grant and other expenditure each year.

The Foundation's Investment Policy Statement sets out the parameters within which the Investment Committee and Investment Advisers must operate to do this.

The Governors have approved a grant and operational expenditure budget of £9.514 million for the Foundation for the period to 30 June 2025. This sum will be taken from the Capital Fund during the year.

Investment policy statement

The Investment Policy Statement covers the following main areas:

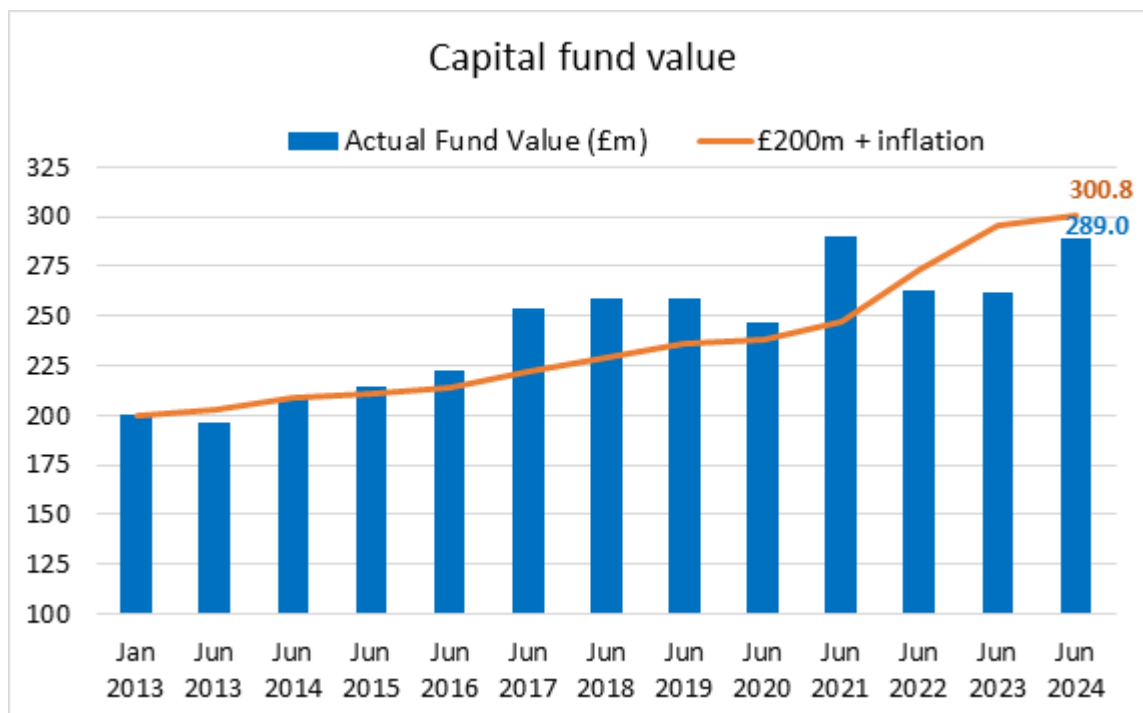
- The intention over the medium term to maintain the real value of the Capital Fund.
- The aim to provide over the long-term an annual sum equal to 3.5% of the Capital Fund for grant and operational expenditure.
- The Foundation's attitude to risk.
- The Foundation's commitment to responsible investment.
- The strategic asset allocation.
- Liquidity requirements.
- The Investment portfolio is to be managed on a total return basis.

Investment Performance

Over the full twelve months to 30 June 2024, the Foundation's investment portfolio generated a return of +11.9% (2023: -6.2%). During the period, there was a rise in both equity and bond markets, positively impacting the returns in the portfolio. This rally was prompted by a deceleration in inflation, resilient corporate earnings amid stable economic growth, and the growth in artificial intelligence-related stocks, which the portfolio had exposure to.

The graph below shows the actual value of the Capital Fund compared to the amount that would be required to maintain its real value. It should be noted that the capital fund's value at 30 June 2024 has recovered since 2022, it remains slightly below the inflation index. The period since its creation is 11 years and it is likely that there will continue to be volatility in future years.

The Foundation was advised by its previous investment manager, Cambridge Associates, that returns over the next ten years are expected to be lower than in the past owing to the relatively high level from which valuations of growth assets start: this is something Sarasin & Partners concurred with on appointment.



The table below shows the performance of the investment portfolio against the long-term target.

Performance Over (annualised)	Portfolio Return 2024 %	Portfolio Return 2023 %	Inflation 2024 %	Inflation* 2023 %	Over/ (Under) 2024	Over/ (Under) 2023
1 Year	5.5	5.5	2%	6.1	-0.4	-0.4
3 Years	6.6	6.6	6.8	6.7	0.0	0.0
Since Inception (2013)	6.7	6.7	3.4	3.3	+3.1	+3.1

* RPI used until 31.12.21 then changed to CPI

Asset allocation

The following table sets out the position of the portfolio as at 30 June 2024, together with a comparison to the benchmark and the ranges within which we allow Sarasin & Partners to operate:

Asset Classes	30.06.24	Strategic Benchmark	Tactical Tilt	Operating Parameters (Low to High)
Cash	3.2	0	3.2	0 to 10
Fixed Income	6.6	10	-3.4	0 to 20
Global Equities	79.9	75	4.9	60 to 90
Property	3.5	5	-1.5	0 to 10
Alternatives	6.9	10	-3.1	0 to 20
Total	100	100		

The alternatives assets are invested in reasonably liquid specialist investment vehicles, which result in exposure to, amongst other things: commodities, private equity, private debt, debt & equity-oriented infrastructure, renewable energy and hedge funds.

Environmental, social and governance factors in investments

The Foundation has confirmed its commitment to the environmental, social and governance (ESG) agenda in its investment policy. This year, the board has instigated a new programme of work to align our investment strategy more closely.

One of the Foundation's reasons for appointing Sarasin & Partners was their leadership in a range of ESG initiatives and the transparency of their reporting on their activities. We are now engaging with them more closely to better understand their approach to company selection, reporting of stewardship and application of ESG criteria and monitoring of sin industries.

For more information see page 25 for Investing for Social Justice Holdings.

An analysis of the Capital Fund holdings is provided at note 7 on page 60.

Mjellinek Tudenham Gelhorne prize fund

The Legal Education Foundation has responsibility for a Charitable Trust-based student prize fund. The fund was established through the merger of three funds which were created a number of years earlier when its name was The College of Law and it had an education and training operation. The Governors of the Foundation are the Trustees of the Fund.

The purposes of the fund, as updated in 2015, are:

"To provide from the income of the investments, a Prize to be awarded annually or upon such other occasions as the Board granted to a student of law at Guildford (or such other location proved for this purpose by the Board) nominated by the University of Law (or its successor as an operator of its education business if approved for this purpose by the Board, failing which the prize may henceforth been awarded by the Board to any student of law)."

The University of Law are informed of the funds available for a prize each year. They provide the Foundation with the prize winner's details in order that the payment can be made directly to the winner.

The Fund is invested in a segregated CCLA account – COIF Charities Investment Fund.

£500 is to be disinvested from the fund for the prize awarded in the year. At 30 June 2024, the value

of the fund is £35,412.66 (30 June 2023: £31,806.60).

Statement of Governors' Responsibilities

The Governors are responsible for overseeing the preparation of the Annual Report and Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources for that period. In preparing these financial statements the Governors are required to:

- Select suitable accounting policies and then apply these consistently.
- Observe the methods and principles in the Charities Statements of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards 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 Foundation will continue in existence.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Foundation's by-laws. They are also responsible for safeguarding the assets of the Foundation and consequently for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Governors confirm that:

- So far as they are aware there is no relevant audit information of which the Foundation's auditor is unaware
- They have taken all steps that they believe they ought to have taken as Governors and Trustees in order to make themselves aware of any relevant audit information and to establish that the Foundation's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

RISK MANAGEMENT

Overall

The Trustees are responsible for identifying, managing and monitoring the risks facing the organisation and for mitigating these risks so as to arrive at an acceptable risk appetite.

A Risk Register is maintained that lists and ranks all identified risks via a traffic light system. The register shows gross and net risk for each identified item of risk, mitigations which are already in place and identifies any further action required and who is responsible for that action.

The Governors review the risk register at every meeting and the Foundation's Senior Management Team uses the Risk Register as a key tool, regularly reviewing risks and the implementation of mitigating actions.

Principal residual risks

The Governors consider the following to be the principal residual risks and ensure that appropriate mitigations are in place and are monitored.

Operational	Inadequate cyber security protections in place lead to data corruption/loss, introduction of malware/ransomware, and data protection breach
Operational/ External	Hate driven activity leads to physical threat or social/mainstream media content targeting Trustees, staff and/or grant partners
External	Significant changes occur in the constitutional, legislative and / or regulatory environment in which the Foundation operates that restricts our ability to deliver our strategic objectives
Governance	Trustee body does not reflect diversity in terms of skills, protected characteristics or lived expertise which leads to poor decision making and loss of credibility

GOVERNANCE

Governors

The ultimate control of the Foundation is vested in the Governors who are also the Foundation's Trustees. They are appointed by the Members of the Foundation. Day-to-day control of the Foundation is exercised by a management team led by the Chief Executive who is appointed by the Governors. The Governors normally meet five times during the year, with additional meetings taking place if necessary. The Governors devote each meeting to considering strategic issues in addition to receiving update reports from the Chairs of each committee and a progress report from the Chief Executive.

The Governors undertook a review of their effectiveness during the previous year and decided that, in order for them to devote more time to strategy development and monitoring, further responsibilities should be devolved to the committees.

The Foundation's financial regulations specify authorisation limits for budget holders, with material transactions being approved by the Governors or committees. In addition, formal treasury policies are in place.

Following the merger of the Audit and Finance & General Purposes Committees, the Governors now have four committees to oversee, monitor and approve actions on the major areas of the Foundation's activities and responsibilities. The terms of reference of each committee are reviewed

on a regular basis to ensure that they remain appropriate to the Foundation's needs.

The Governors take steps to ensure that they work as an effective team, using the appropriate balance of skills, experience, backgrounds and knowledge to make informed decisions. They can access independent professional advice, such as legal or financial advice, at the Foundation's expense if needed.

The Governors and those who served as such at any time during the financial year, together with details of their committee memberships as at the approval date, 10 October 2024, are shown on page 99. Further details on each Governor can be found on our [website](#)

Recruitment of Governors

A skills audit of the Board of Governors is undertaken on a periodic basis to identify the skills needed in order for the Foundation to be able to consider, monitor and approve its Strategic Plan. Recruitment and re-appointment of Governors is based on this need.

When considering the recruitment of a Governor, a Committee of Governors decide the most appropriate recruitment method to use. Normally this is by recruitment consultants advertising the role and inviting applications. The Committee then considers a long list of candidates and selects a shortlist of applicants for interview before making a recommendation to the full Board. This role was carried out by the Nominations and Remuneration Committee until December 2023. Since December 2023 an ad hoc committee chaired by the Chair of the Foundation performs this role.

The Foundation aims to recruit Governors with diverse backgrounds and skills.

Induction and training of Governors

New Governors are provided with an induction programme during which they have the opportunity to meet with the key management personnel and the Secretary. They are also made aware of:

- the responsibility of Trustees
- the Foundation's Constitution
- the latest financial statements
- the committees and decision-making processes
- the plan for meeting the Foundation's Object
- the Foundation's risk register
- the Foundation's charity governance checklist.

Training requirements are identified as part of the skills audit review and a programme of training for the following year is considered by the Nominations Committee annually.

Charity Governance Code

The Foundation is committed to best practice in governance. The Audit Committee undertook a review of compliance with the Charity Governance Code in July 2021. The results of the review confirmed that the Foundation and its subsidiary continued to comply with the Charity Governance Code.

The Foundation continually reviews ways to further improve its governance and focusses on the areas of the code where this can best occur.

The Justice Together initiative, run by Justice Collaborations, has been developed with a commitment to equity and human rights, inclusion and anti-racism at its core. It has a dedicated Anti-Racism Working Group and has worked with an expert consultant to develop its anti-oppression aims.

Conflicts of interest

The Foundation's conflicts of interest policy requires Governors, executives and advisers to declare any interest which could give rise to conflict of interest. They are required to exempt themselves from all relevant decisions which may involve a transaction with a related party or in which they may have a conflict of interest although they can take part in general discussion on the area concerned at Governors' meetings. At Grants and Learning Committee meetings, members of the Committee are required to recuse themselves from both discussion and decision when an item on which they are conflicted is being discussed.

Fundraising

The Foundation has not entered into contracts with central or local government to deliver services nor has it received grants from central or local government. All restricted funds have been received from other charitable organisations or law firms. It does not raise funds from the public and therefore has not subscribed to any fundraising standards or scheme for fundraising regulation.

The Foundation is aware of the regulations and has nothing further to disclose under the provisions of section 13 of the Charities (Protection and Social Investment) Act 2016.

Committees

Investment Committee

The Investment Committee normally meets four times a year. In addition to the Governor Members there is one professionally qualified external member.

Its terms of reference include overseeing the implementation of the Investment Strategy Policy and monitoring investment performance and recommending the amount to be made available to the Foundation for grant and operational expenditure each year.

Finance, Audit and Risk Committee

The Finance, Audit and Risk Committee usually meet four times a year.

In addition to the Governor Members there is a professionally qualified accountant external member. The Chair has a finance background. The auditors, who regularly attend the meetings, also have a separate meeting with the committee once a year without any Foundation staff present. The Foundation's Chair is a de facto member of the committee.

The terms of reference of the committee include:

- a critical review of the annual report and financial statements prior to submission to the Governors for approval;
- monitoring the effectiveness of the internal control systems and reviewing risk management policies, systems and the Risk Register;
- considering the appointment, resignation or dismissal of the external auditors;
- reviewing and approving budgets, forecast and other financial projections;
- pension matters;
- property matters;
- reserves policy; and
- such other matters as are referred to it by the Governors.

The committee makes a written report on its compliance with its terms of reference and on internal controls and the risk register to the Governors on an annual basis.

Approval of remuneration and benefits for staff is the responsibility of the Finance, Audit and Risk Committee following the disbandment of the Nominations Committee.

The committee has responsibility for overseeing matters and approvals relating to the College of Law Pension and Assurance Scheme.

Grants and Learning Committee

The Grants and Learning Committee normally meets at least twice a year. It also takes decisions on individual grants by email between meetings and it receives regular updates throughout the year.

The committee oversees the implementation of the policy and criteria agreed by the Governors for the award of grants, considers each application for grants of over £40k, and makes recommendations to the full governing body for any awards of over £350k. The committee has delegated authority to the Executive to award individual grants of up to £40k with a maximum total amount of all such grants in any one year of £300k. A report on each of these grants is made to the committee and each grant is reported to the Governors at their next meeting.

The committee is also responsible for monitoring progress against the Foundation's research and learning strategy and its policy and public affairs strategy and reporting on these to the Governors. It reviews and approves the planned annual work plans for each of these areas of activity for the coming year.

The committee receives a report at each meeting providing an analysis of each final grant monitoring report which summarises activities and lessons. A separate report is made to each meeting regarding any grantee at risk.

Staff Remuneration

Remuneration of senior management has previously been decided following detailed advice from recruitment and remuneration consultants and is benchmarked on a periodic basis. Annual cost of living increases are approved by the Finance, Audit and Risk Committee.

Governors and Senior Personnel

The Governors and those who served as such at any time during the financial year, together with details of their committee memberships as at 30 June 2024, are shown in the following table.

Committee membership

Governors	Grants and Learning	Investment	Finance, Audit and Risk	First Appointed	Current Appointment Completed
Barbora Bukovská	Y			14.12.2023	AGM 2026
Tamsin Evans		Y	Y	24.01.2023	AGM 2026
Rebecca Gray		Y		14.12.2023	AGM 2026
Vivek Luthra		Chair	Y	26.02.2020	AGM 2025
Alison Pickup (Vice Chair)	Y			04.07.2018	AGM 2024
Rupen Shah			Chair	19.02.2021	Resigned June 2024
Paddy Sloan (Chair)	Chair			26.10.2020	AGM 2026
Alex Temple	Y			07.07.2021	AGM 2024
James Wolffe				30.11.2022	AGM 2025

In addition:

Kirsty Garrison is a professional accountant external member of the Finance, Audit and Risk Committee. David Haysey is a professional investment external member of the Investment Committee. Cullagh Warnock is an external member of the Grants and Learning Committee.

Key Management personnel:

For the purposes of compliance with the Charities SORP, Key Management personnel are identified as the Trustees, Matthew Smerdon (Chief Executive) and the Senior Management Team (comprising of the Director of Grants and Learning, Director of Operations, Director of Strategy and General Counsel).

A full list of all current staff members can be found on the Foundation's [website](#).

Acknowledgements

The Governors would like to thank the Foundation's staff and external advisors for their great commitment to the Foundation's vision, mission and values.

Approved by the Board of Governors on 10 October 2024.

Paddy Sloan
Paddy Sloan (Oct 31, 2024 16:11 GMT)

Paddy Sloan

Chair

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE LEGAL EDUCATION FOUNDATION

Opinion

We have audited the financial statements of The Legal Education Foundation (the 'parent charity') and its subsidiary (the 'group') for the year ended 30 June 2024 which comprise the Consolidated Statement of Financial Activities, the Statement of Financial Activities of the Individual parent charity, the Group and parent charity Balance Sheets, the Consolidated Statement of Cashflows 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 group's and charity's affairs as at 30 June 2024 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 the group's or parent charity'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 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, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 35, the trustees 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 group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework, that the group and parent charity operates in and how the group and parent charity is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011, the parent charity's governing document, the Royal Charter and the Foundations By-Laws. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

There were no significant laws and regulations that were considered to have an indirect impact on the financial statements.

The audit engagement team identified the risk of management override of controls and recognition of donation income as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and reviewing recognition of donation income in line with the SORP criteria.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <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 charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP 28.10.24
RSM UK Audit LLP 28.10.24 (Oct 28, 2024 14:50 GMT)

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square Reading
Berkshire RG1 3EU

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2024

		2024	2024	2024	2023	2023	2023
	Not	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	e	£'000	£'000	£'000	£'000	£'000	£'000
Income:							
Investments	2	6,253	71	6,324	4,939	-	4,939
Donations and legacies	2	-	4,010	4,010	-	6,657	6,657
Other	2	-	-	-	296	-	296
Total income		6,253	4,081	10,334	5,235	6,657	11,892
Expenditure on:							
Raising funds (investment management costs)	5	1,164	-	1,164	919	-	919
Charitable activities	5	8,733	5,815	14,548	9,680	2,772	12,452
Other	5	498	-	498	475	-	475
Total expenditure	5	10,395	5,815	16,210	11,074	2,772	13,846
Net (expenditure)/ income before investment gains and losses		(4,142)	(1,734)	(5,876)	(5,839)	3,885	(1,954)
Net gains/(losses) on investments	7,9	25,973	-	25,973	7,946	-	7,946
Net income/ (expenditure)		21,831	(1,734)	20,097	2,107	3,885	5,992
Other recognised gains and losses:							
Actuarial loss on defined benefit pension scheme	14	(8,043)	-	(8,043)	(27,255)	-	(27,255)
Restriction of movement on pension scheme asset	14	8,121	-	8,121	27,449	-	27,449
Net movement in funds		21,909	(1,734)	20,175	2,301	3,885	6,186
Reconciliation of funds							
Total funds brought forward	13	264,775	6,559	271,334	262,474	2,674	265,148
Total funds carried forward		286,684	4,825	291,509	264,775	6,559	271,334

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 52 to 75 form part of these financial statements.

Statement of Financial Activities of the individual parent charity for the year ended 30 June 2024

		2024	2024	2024	2023	2023	2023
	Note	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£'000	£'000	£'000	£'000	£'000	£'000
Income:							
Investments	2	6,253	-	6,253	4,939	-	4,939
Donations and legacies	2	-	617	617	-	152	152
Other	2	383	-	383	296	-	296
Total income		6,636	617	7,253	5,235	152	5,387
Expenditure on:							
Raising funds (investment management costs)	5	1,164		1,164	919	-	919
Charitable activities	5	9,986	617	10,603	9,680	152	9,832
Other	5	498		498	475	-	475
Total expenditure	5	11,648	617	12,265	11,074	152	11,226
Net expenditure before investment gains and losses		(5,012)	-	(5,012)	(5,839)	-	(5,839)
Net gains/(losses) on Investment	7,9	25,973	-	25,973	7,946	-	7,946
Net income/(expenditure)		20,961	-	20,961	2,107	-	2,107
Other recognised gains and losses:							
Actuarial loss on defined benefit pension scheme	14	(8,043)	-	(8,043)	(27,255)	-	(27,255)
Restriction of movement on pension scheme asset	14	8,121	-	8,121	27,449	-	27,449
Net movement in funds		21,039	-	21,039	2,301	-	2,301
Reconciliation of funds:							
Total funds brought forward	13	264,775	3	264,778	262,474	3	262,477
Total funds carried forward	13	285,814	3	285,817	264,775	3	264,778

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 52 to 75 form part of these financial statements.

Balance Sheet as at 30 June 2024

		Group 30 June 2024	Foundation 30 June 2024	Group 30 June 2023	Foundation 30 June 2023
		£'000	£'000	£'000	£'000
	Note				
Fixed Assets					
Fixed asset investments	7	289,005	289,005	267,631	267,631
		289,005	289,005	267,631	267,631
Current Assets					
Debtors	8	6,792	906	6,988	1,142
Current asset investments	9	6,398	5,357	8,494	8,494
Cash at bank and in hand		8,213	4,774	6,975	852
		21,403	11,037	22,457	10,488
Creditors due within one year	10	(11,193)	(8,829)	(11,530)	(8,247)
Net current assets		10,210	2,208	10,927	2,241
Total assets less current liabilities		299,215	291,213	278,558	269,872
Creditors due after more than one year	11	(5,909)	(3,599)	(5,339)	(3,209)
Net assets excluding pension liabilities		293,306	287,614	273,219	266,663
Pension liability	14	(1,797)	(1,797)	(1,885)	(1,885)
Net assets		291,509	285,817	271,334	264,778
Funds					
General funds		288,481	287,611	266,660	266,660
Less: pension liability	14	(1,797)	(1,797)	(1,885)	(1,885)
General funds after pension liability		286,684	285,814	264,775	264,775
Restricted funds	13	4,825	3	6,559	3
Total funds	13	291,509	285,817	271,334	264,778

Approved and authorised for issue by the Board of Governors on 10 October 2024.

Paddy Sloan
Paddy Sloan (Oct 31, 2024 16:11 GMT)

P Sloan (she/her)
Chair of Governors

The notes on pages 52 to 75 form part of these financial statements.

Consolidated statement of cashflows for the year ended 30 June 2024

	Note	30 June 24 £'000	30 June 23 £'000 Restated
Cashflows from operating activities	19	(10,878)	(8,222)
Cashflows from investing activities:			
Investment income		153	29
Disinvestment to fund operating activities		9,475	7,050
Net capital addition to investments		(11)	(590)
Net cash provided by investing activities		9,617	6,489
Change in cash and cash equivalents in the reporting period		(1,261)	(1,733)
Cash and cash equivalents at the beginning of the reporting period		10,515	12,248
Cash and cash equivalents at the end of the reporting period		9,254	10,515
Analysis of cash and cash equivalents:			
Cash at bank and in hand		8,213	6,975
Current asset investments		1,041	3,540
Total cash and cash equivalents		9,254	10,515

NOTES TO THE ACCOUNTS

1. Accounting policies

a. Principal policies

The financial statements of the charity, registered in England and Wales, which is a public benefit entity under FRS 102, are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the 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 United Kingdom and Republic of Ireland (FRS102) (effective 1 January 2019) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the second edition of the Charities Statement of Recommended Practice issued in October 2019 applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The functional currency of the Foundation is GBP (sterling). The legal status of the Foundation is that of a Royal Charter Charity.

The accounting policies and estimation techniques have been applied consistently from prior years. A review of the Foundation's activities is set out in the Governors' Report on pages 4 to 31. A review of the financial position of the Foundation, its cash flows, liquidity position and investment position are set out in pages 32 to 34. The Foundation produces an annual business plan and the Governors are satisfied that the Foundation can meet its operational plans from its own resources.

The Foundation has considerable liquid financial resources and it also has no borrowings. As a consequence, the Governors believe that the Foundation is well placed to manage its operating risks successfully and is a going concern.

The Foundation, through its Investment Committee, reviews at each meeting the credit rating of all institutions with which it deposits funds and also reviews the portfolio for credit risk.

The charity has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only cash flow statement and certain disclosures about the charity's financial instruments.

b. Basis of consolidation

The consolidated statement of financial activities, the consolidated balance sheet and the consolidated cash flow statement included the financial statements of the Foundation and its subsidiary undertaking (Justice Collaborations) up to 30 June 2024, using the line by line

method. Intra group transactions are eliminated fully on consolidation. The total and net income for the Foundation for the year are shown on page 49.

c. Income

Investment income comprises income from investment funds, fixed income bonds, short term fixed deposits and cash funds. Interest on deposits and cash funds is recognised on an accruals basis. Dividends are recognised from the ex-dividend date when they become receivable.

Donation and legacy income comprises restricted funds received from external donors for specific programmes as disclosed in note 13. This income is recognised when the organisation is entitled to the income, receipt is probable, and the amount can be reliably measured.

d. Investment assets

Investments are initially recognised at cost and valued at closing market prices ruling at the balance sheet date which give rise to unrealised gains and losses during the period. These amounts are included under “net gains/(losses) on investment” in the Statement of Financial Activities, which also reflects the difference between the net proceeds from sale of investments and mid-market value at the previous period end.

Net liquid resources comprise cash held in deposit accounts as part of long-term investment planning.

e. Tangible fixed assets

All tangible fixed assets costing over £5,000 are capitalised. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life.

Depreciation is charged when an asset is brought into use at the following rates: Furniture and equipment: 20-50% of cost per annum.

Assets that are impaired in value are written down to their impaired value.

f. Leases

Operating lease expenses are charged to the Statement of Financial Activities over the life of the lease on a straight-line basis.

g. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds

This heading includes the investment management costs, the cost of any other advice relating directly to the investment portfolio and an allocation of staff time in dealing with the Foundation’s investments on a day-to- day basis.

Charitable activities

The costs under this heading are further split between grants, grant-making and research, other direct costs and governance in note 5. Staff costs are allocated to these subheadings based on an estimate of time spent on each activity.

Grants are charged to the Statement of Financial Activities when the award is communicated

to the recipient and thereby a constructive obligation arises.

Grant-making and research costs include costs of research commissioned and/or carried out by the Foundation, grantee events, costs directly associated with the Justice First Fellowship and Future Advice programmes and an allocation of staff time spent on grant awarding and monitoring.

Other direct costs include office rent and expenses, IT maintenance and website development, insurance and an allocation of staff time spent on support functions including bookkeeping and statutory reporting.

Governance costs include costs of audit fees and costs associated with the functions of the Governors and the cost of the external advisor to the Committees.

Other

The costs in this heading are explained fully in note 5.

h. Going concern

The Governors have reviewed the Foundation's forecasts and projections covering a period that exceeds twelve months from the date of signing these financial statements and based on the levels of available cash, commitments made by funders and having taken into account economic conditions, the Governors are satisfied that the Foundation has adequate resources to continue in operation for the foreseeable future. Accordingly, the going concern basis has been used in preparing these financial statements.

i. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

j. Fund accounting

The Foundation has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Restricted funds

Donations or legacies received, or income arising from such, which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the Foundation.

Unrestricted funds

Funds are expendable at the discretion of the Governors in furtherance of the objects of the charity. In addition to expenditure on grants, such funds may be held in order to finance capital investment and working capital.

k. Pension costs

For the defined benefit scheme, the amount charged to resources expended is the current service costs. Past service costs/gains are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs/gains are recognised over the period until vesting occurs. The interest cost and the expected return on the assets are also shown under the relevant category of resources expended. Actuarial gains and losses are recognised immediately in the Statement of Financial

Activities.

The assets of the defined benefit scheme are held separately from those of the Foundation, in separate pension Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities.

Where there is a surplus in the funded scheme, this is considered irrecoverable as the Governors consider it cannot currently be recovered against future service costs or by future refund. Therefore, a restriction is applied to the surplus to exclude it from the balance sheet.

Following the closure of the Defined Benefit scheme to future service accrual from 31st August 2021, a number of staff have joined a group self-invested pension plan from 1st September 2021. Contributions to this scheme are charged to the Statement of Financial Activities as they are incurred.

l. Value added tax

Expenditure is stated gross of irrecoverable value added tax (VAT).

During 2020, the Foundation formed a VAT group with its subsidiary, Justice Collaborations, and hence is jointly and severally liable for amounts owed by any member of that VAT group in respect of unpaid VAT.

m. Tax status

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable trust for UK corporation tax purposes.

Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

n. Provisions

Where contracts become onerous, full provision is made for the estimated future costs of the contract. Consideration is given to whether discounting future cash-flows would have a material impact and the provision is calculated accordingly.

o. Related party transactions

Transactions with related parties are disclosed in the notes to these financial statements. The Foundation's policy is for Governors, Executives and advisers to declare their interest and exempt themselves from all relevant discussions and decisions which may involve a transaction with a related party or in which they may have a conflict of interest. Details of related party transactions are included in note 16.

p. Financial instruments

Financial assets and liabilities are recognised on the Foundation's balance sheet when the Foundation becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognised at cost less any relevant impairment for estimated irrecoverable amounts.

q. Significant judgements and estimates

The Foundation, in preparing its accounts, makes judgements and estimates concerning the future that have a significant effect on the amounts recognised in the accounts in regard to two main areas.

Judgements:**Onerous lease**

The lease was re-assigned on 9 April 2019.

Note 17 provides further information regarding the current position and judgements which have been made regarding potential future liabilities associated with the lease.

Estimates:**Pension scheme**

The key assumptions used for FRS102 are agreed by the Foundation on advice from the Scheme Actuary and are listed in note 14.

2. Income	Group		Foundation	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Investment Income				
Income from investment funds	6,027	4,748	6,027	4,748
Interest on bonds	156	162	156	162
Bank Interest	141	29	70	29
	6,324	4,939	6,253	4,939
Voluntary Income				
Grants	4,010	6,657	617	152
Other Income	-	296	383	296
Total Income	10,334	11,892	7,253	5,387

Incoming grants are all allocated to restricted funds. Details are shown in note 13.

3. Transactions with Governors and External members of Committees

	2024	2023
	Foundation	Foundation restated
No of Governors claiming expenses in the year	2	2
Total expenses claimed	£3,465	£1,086
The Governors do not receive any remuneration		
	2024	2023
	Foundation	Foundation
	£'000	£'000
Amounts paid to external advisors to Governors	27	28

4. Net income/(expenditure)

	2024	2023
	£'000	£'000
Net income/(expenditure) for the year is stated after charging:		
Operating Leases – Rent of Land and Buildings:		
Foundation only	-	43
Fees payable for services provided by the auditor and the auditor's related entities (including irrecoverable VAT):		
Auditor's Remuneration RSM UK Audit LLP:		
Foundation	40	35
Justice Collaborations	17	16
All other non-audit services:		
Foundation	-	6

5. Analysis of total expenditure

Group	Staff		Total	Total
	Costs	Other	2024	2023
	£'000	£'000	£'000	£'000
Raising funds				
Investment management costs	35	1,129	1,164	919
Charitable activities				
- Grants		11,620	11,620	9,246
- Grant-making and research	947	623	1,570	1,565
- Other direct costs	538	596	1,134	1,521
- Governance	72	152	224	120
	1,557	12,991	14,548	12,452
Other				
Pension scheme management costs		400	400	395
Other pension scheme charges		98	98	80
	-	498	498	475
	1,592	14,618	16,210	13,846

Foundation	Staff Costs £'000	Other £'000	Total 2024 £'000	Total 2023 £'000
Raising funds				
Investment management costs	35	1,129	1,164	919
Charitable activities				
- Grants		7,920	7,920	6,794
- Grant-making and research	947	425	1,372	1,489
- Other direct costs	538	577	1,115	1,471
- Governance	72	124	196	78
			-	
	1,557	9,046	10,603	9,832
Other				
Pension scheme		400	400	395
Other pension scheme charges		98	98	80
	-	498	498	475
	1,592	10,673	12,265	11,226

A breakdown of grants awarded during the year is given in note 15 and is referred to in the Governors' Report.

Other pension scheme charges

Details of the costs of the defined benefit pension scheme and unfunded pension are provided in note 14.

6. Staff costs

	2024 £'000 Group	2024 £'000 Foundation	2023 £'000 Group	2023 £'000 Foundation
Wages and salaries	1,177	1,177	1,235	1,235
Social security costs	132	132	127	127
Pension costs	172	172	168	168
	1,481	1,481	1,530	1,530
Temporary staff costs	50	50	5	5
Other Employee Benefits	61	61	52	52
	1,592	1,592	1,587	1,587

Termination payments of £14,965 were made to 2 persons (2023: £32,000 to 1 person).

The number of employees earning in excess of £60,000 per annum, including their taxable benefits, in bands of £10,000 were:

	Group 2024 No.	Group 2023 No.
£60,001 - £70,000	-	1
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£120,001 - £130,000	1	2

The above amounts include as appropriate salary, medical insurance costs and employee contributions to pension schemes made through salary sacrifice.

During the years ended 30 June 2024 and 2023, all five of the staff included in the salary banding table above were active members of the defined contribution pension scheme.

The average number of employees, analysed by organisation, was:

	2024 No.	2023 No.
Foundation	19	17
Justice Collaborations	4	3

The average full-time equivalent number of employees in the Group was 20.5 (2023: 18).

Remuneration of key management personnel

Key management personnel are deemed to comprise the Trustees, and Senior Management Team, comprising the Chief Executive, Director of Grants & Learning, Director of Operations, Director of Strategy and General Counsel.

Their aggregate remuneration in the current year including pension benefits was £384k (2023: £507k).

Ratio of highest to lowest salary costs

Reflecting our focus on pay transparency and in line with NCVO guidance, the ratio between the highest salary (2024: £130k, 2023: £129k) and the median salary (2024: £50k, 2023: £51k) in the Group is 2.60:1, (2023: 2.48:1). The ratio of the top salary to the lowest as at 30 June 2024 was 3.71:1 (2023: 3.68:1). These calculations are based on Full Time Equivalent salaries before pension salary sacrifice adjustments.

7. Fixed asset investments: Group & Foundation

Market value at 30th June	2024 £'000	2023 £'000
Pooled funds		
Growth driver funds	-	5,531
Diversifier funds	-	51
Fixed income	19,013	26,876
Equities	230,888	191,113
Property	9,975	10,569
Alternatives	19,947	27,669
Cash/liquid assets	9,182	5,822
	289,005	267,631

The investment portfolio was held solely in a range of managed pooled funds until September 2021. Following the appointment of Sarasin & Partners as investment managers the majority of the holdings in pooled funds were sold and the proceeds transferred to Sarasin's to invest on behalf of the Foundation. This was completed in 2023-24.

Reconciliation of opening & closing market values	2024 £'000	2023 £'000
Market values as at 1 July	267,631	262,654
Additions at cost	117,594	115,561
Disposals at cost	(137,573)	(126,417)
Increase Investment cash	3,780	3,772
Investment gains/(losses)	37,573	12,061
Market value of investments as at 30 June	289,005	267,631
Historical cost of investments at 30 June	254,104	270,304

Reconciliation of movements in unrealised gains on investment assets

	2024 £'000	2023 £'000
Unrealised (losses)/gains at 1 st July	(2,672)	(14,733)
Movement in the year	37,573	12,061
Unrealised gains /(losses) at 30 th June	34,901	(2,672)

8. Debtors	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
	Group	Foundation	Group	Foundation
Other debtors	77	77	26	26
Onerous lease	-	-	10	10
Amounts due from charity subsidiary	-	96	-	92
Tax and social security	-	-	20	20
Prepayments and accrued income	6,715	733	6,932	994
	6,792	906	6,988	1,142

9. Current asset investments	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
	Group	Foundation	Group	Foundation
Cash and cash deposits	1,041	-	3,540	3,540
Short-dated bond portfolio	5,357	5,357	4,954	4,954
	6,398	5,357	8,494	8,494

Gains on the short-dated bond portfolio in the year were £278k (2023: losses £224k). The previous year saw volatile conditions in fixed interest markets as the Bank of England raised the base rate eight times, from 1.25% to 5%, to bring inflation under control. Prices of bonds fell across the maturity spectrum. In contrast, the current financial year has been one of relative calm. The base rate was raised from 5% to 5.25% on 2 August 2023 and remained there for the remainder of the accounting period. Increased demand for corporate and financial bonds has led to a year of outperformance versus government bonds and this is reflected in the portfolio performance which grew 8.3% (2023: -2.45%)

10. Creditors due within one year	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
	Group	Foundation	Group	Foundation
Amount due to charity subsidiary	-	1,565	-	765
Grants payable	10,403	6,542	10,998	6,918
Other creditors	202	179	248	244
Tax and social security	40	40	-	-
Accruals	548	503	284	320
	11,193	8,829	11,530	8,247

11. Creditors due after more than one year

	2024 £'000	2024 £'000	2023 £'000	2023 £'000
	Group	Foundation	Group	Foundation
Grants payable	5,909	3,599	5,339	3,209

12. Analysis of net assets between funds

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Total 2023 £'000
Fixed assets	289,005	0	289,005	267,631
Current assets	11,034	11,160	22,194	22,457
Liabilities <1 year	(7,959)	(4,025)	(11,984)	(11,530)
Liabilities >1 year	(5,396)	(2,310)	(7,706)	(7,224)
	286,684	4,825	291,509	271,334

Foundation	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Total 2023 £'000
Fixed assets	289,005	-	289,005	267,631
Current assets	11,034	3	11,037	10,488
Liabilities <1 year	(8,829)	-	(8,829)	(8,247)
Liabilities >1 year	(5,396)	-	(5,396)	(5,094)
	285,814	3	285,817	264,778

13. Funds

Movements in funds - Group

	At 1.7.23 £'000	Movement in funds £'000	At 30.6.24 £'000
General funds	266,660	21,821	288,481
Funds excluding pension liability	266,660	21,821	288,481
Unfunded pension liability	(1,885)	88	(1,797)
	264,775	21,909	286,684
Restricted funds	6,559	(1,734)	4,825
Total funds	271,334	20,175	291,509

Movement in funds - Foundation	At 1.7.23 £'000	Movement in funds £'000	At 30.6.24 £'000
General funds	266,660	20,951	287,611
Funds excluding pension liability	266,660	20,951	287,611
Unfunded pension liability	(1,885)	88	(1,797)
	264,775	21,039	285,814
Restricted funds	3	0	3
Total funds	264,778	21,039	285,817

Restricted Funds	At 1.7.23 £'000	Income £'000	Expenditure £'000	At 30.6.24 £'000
Foundation				
- Justice First Fellowship	3	617	(617)	3
Justice Collaborations				
- Justice Together Initiative	6,556	3,464	(5,198)	4,822
Less: grant awarded by parent to subsidiary				
Consolidated Group total	6,559	4,081	5,815	4,825

Justice First Fellowship

Information on the Justice First Fellowship is included in the Governors' Report on page 17. The majority of the funders of this programme have agreed to fund a specific host or hosts in a given year.

Justice Collaborations

The grants awarded to Justice Collaborations are all contributions to the Justice Together Initiative.

14. Pension (liability)/asset Group and Foundation

The Foundation operates a funded defined benefit contributory Pension Scheme providing benefits based on members' final pensionable salary at retirement, death or leaving service. The Scheme was closed to new members during 2019 and closed to accrual on 31st August 2021.

When the defined benefit scheme closed to new members, new staff members were auto enrolled into the NEST scheme. Following the closure of the defined benefit scheme to future accrual, a new Group Self Invested Pension (GSIP) scheme was set up. All staff, of both the Foundation and its subsidiary were members of the GSIP at 30 June 2024.

The defined benefit scheme is a separately constituted trust with member nominated Trustees and Foundation appointed Trustees. Under the Trust Deed the employer decides the benefit structure and the Trustees, on the advice of the Scheme Actuary, decide the required funding rate.

The assets of the Scheme, including purchased annuities, are held separately from those of the Foundation.

This scheme is currently in surplus as calculated in accordance with the FRS102 valuation basis. However, the Governors consider that the surplus cannot currently or in the foreseeable future be recovered against future service costs or by future refund and is therefore excluded from the Balance Sheet.

The charity is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained. Until further investigations have been completed and/or any legislative action is taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

During the year, the Foundation paid Pension, Life Assurance Contributions and administration costs to the Scheme of £400k (2023: £396k) comprising normal contributions of £400k (2023: £396k) and special payments of £nil (2023: £nil). Contributions totaling £nil (2023: £nil) were prepaid at the year end.

The Foundation maintains responsibility for a legacy unfunded pension which is currently in payment. The Pension Liability shown on the Balance Sheet relates to this pension.

The principal assumptions used for the FRS 102 valuation were as follows:

	2024	2023
	%	%
Discount rate	5.15	5.20
Future increase in RPI	3.20	3.20
Future increase in CPI	2.60	2.50
Retail price Index pension increases		
- max 5%	3.20	3.20
- max 2.5%	2.50	2.50
Future rate of pension increases in deferment	2.60	2.50

It has been assumed that members reaching normal retirement date will exchange 67% of the maximum allowable amount of their pension for cash at retirement. This is based on the post 'A-day' definition of maximum cash.

Mortality assumptions used are in line with 100% of the PxA16 tables based on Members' year of birth, improving in line with CMI 2023 projections with a 1.5% p.a. long-term trend for females and males.

Average expected future life at age 65:

	1 July 2024	1 July 2023
Male currently aged 65	23.2	23.2
Female currently aged 65	25.4	25.3
Male currently aged 45	24.7	24.7
Female currently aged 45	27.1	27.0

The assets in the scheme are:	2024 £'000	2024 £'000	2023 £'000	2023 £'000
--------------------------------------	-----------------------	-----------------------	-----------------------	-----------------------

Funded scheme

Corporate bonds and gilts	85,794		86,071	
Asset backed credit	1,955		3,492	
Private credit	3,191		3,144	
Purchased annuities	45,122		43,336	
Cash	306		934	
Total market value of assets	136,368		136,977	
Actuarial value of liabilities	(129,696)		(122,693)	
Net surplus in the funded scheme		6,672		14,284

Unfunded pension liability

Actuarial value of liabilities	(1,797)		(1,885)	
Net deficit in the funded scheme		(1,797)		(1,885)
Net surplus in the scheme (funded and unfunded)		4,875		12,399
Less: Irrecoverable pension scheme surplus		(6,672)		(14,284)
Net unfunded pension liability		(1,797)		(1,885)

The total net surplus of the funded and unfunded scheme pension liabilities at 30 June 2024 on the FRS 102 basis was £4.9 million, all of which is considered irrecoverable. The restriction represents the surplus in the funded Scheme which the Governors consider cannot currently be recovered against future service costs or by future refund and is therefore excluded from the Balance Sheet.

The movement in the restricted amount has been charged to the Statement of Financial Activities under the heading other resources expended.

Assets are valued at the bid value. FRS 102 regulations require the expected rate of return on assets to be based on the Discount Rate. The liabilities are valued using a market rate derived from high quality corporate bonds and do not depend upon the assets in which the pension is invested.

The actual return on the Scheme assets in the year was 1.2% (2023: - 32.3%).

Sensitivity of assumptions	2024 %	2023 %
A 0.5% reduction in discount rate	5.1	7.2
A 0.5% increase in price inflation	1.3	3.3
A one-year increase in average age of member on death	3.5	4.2

The above sensitivities show the impact of various changes on the net pension surplus/deficit.

Risk

The Trustees, with the support of the Governors, have continued to take four main steps to reduce risk:

- Purchased annuities for pensions in payment when overall market conditions have been appropriate to do so.
- Followed a liability driven investment policy.
- Hedged against interest rate and inflation fluctuations.
- Do not hold any equities.

Analysis of the amount charged to expenditure

	2024 £'000	2023 £'000
Other costs	688	892
Total operating charge	688	892
Expected return on scheme assets	(7,054)	(7,211)
Restriction on charge relating to funded pension scheme liability	109	683
Interest on pension liabilities	6,355	5,718
Net return	(590)	(810)
Total	98	82

Analysis of amount recognised in the Statement of Financial Activities as actuarial gains and losses

	2024 £'000	2023 £'000
Actual return less expected return on scheme assets	(5,389)	(51,399)
Experience loss arising on the liabilities	(1,161)	(1,097)
Changes in assumptions underlying the present value of liabilities	(1,493)	25,241
Actuarial gains before restriction	(8,043)	(27,255)
Restriction of negative movement on pension scheme asset	8,121	27,449
Actuarial gains	78	194
Cumulative amounts recognised as actuarial losses	(40,745)	(40,823)

Movement in liabilities during the year

	2024 £'000	2023 £'000
Liabilities at the beginning of the year (funded scheme and unfunded arrangements)	124,578	148,240
Movement in the year:		
Interest cost	6,355	5,718
Loss on changes in assumptions	1,493	(25,241)
Experience (gain)/loss on liabilities	1,161	1,097
Experience change in secured pensioner value	417	(1,846)
Benefits paid	(2,511)	(3,390)
Liabilities at the end of the year (funded scheme and unfunded arrangements)	131,493	124,578

Liabilities at the year-end included £1,797k (2023: £1,885k) in respect of unfunded arrangements outside the Scheme. A £21k experience adjustment was made in respect of this arrangement during the year.

Movement in scheme assets during the year

	2024 £'000	2023 £'000
Scheme assets at the beginning of the year	136,977	186,787
Movement in the year:		
Expected return on scheme assets	7,054	7,211
Actuarial loss	(5,389)	(51,399)
Expenses paid by scheme	(688)	(892)
Experience change in secured pensioner value	417	(1,846)
Employer contributions	400	400
Benefits paid directly from scheme assets other than annuities	<u>(2,403)</u>	<u>(3,284)</u>
Scheme assets at the end of the year	136,368	136,977

History of experience gains and losses

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Scheme assets	136,368	136,977	186,787	250,706	270,577
Pension liabilities: funded scheme and unfunded arrangements	(131,493)	(124,578)	(148,240)	(208,112)	(207,291)
Net surplus: funded scheme and unfunded arrangements	4,875	12,399	38,547	42,594	63,286
Experience adjustments on scheme assets	(5,389)	(51,399)	(59,589)	(17,620)	29,081
Experience adjustments on scheme liabilities	(1,161)	(1,097)	3,739	1,760	(951)

Contributions payable by the Foundation to the Scheme for the year to 30 June 2024 are £400k. No special payments are planned due to the surplus of £4.9 million in funded Scheme assets at 30 June 2024.

The contributions expected in the year to 30 June 2025 are only in relation to scheme running costs. No contributions are due in relation to staff pensions due to the closure of the scheme to future accrual from 31 August 2021.

15. Grants

Foundation	£000s	No.
Stronger sector – general grants	4,351	24
Stronger sector - Justice First Fellowship	1,434	19
Fairer systems	1,950	16
Smarter Justice	247	2
Financial adjustments and refunds on completed grants	(62)	
	<hr/> 7,920	<hr/> 61
Less: grant award from the Foundation to Justice Collaborations	(870)	
Justice Collaborations	<hr/> 4,570	
Total	<hr/> 11,620	

The details of the new grants awarded in the year are shown on the following pages:

Programme**£000s****Stronger Sector****4,351**

Article 39	4
Asylum Support Appeals Project (ASAP)	170
Child Poverty Action Group (CPAG)	285
Child Rights and Youth Justice CIC	20
Children's Law Centre NI	23
Citizens UK	150
Communities Empowerment Network (CEN)	120
Council of Somali Organisations	9
Housing Rights	23
Inquest	167
Justice Collaborations	870
Law Centres Network	185
Living Rent	141
Lloyds Bank Foundation for England & Wales	10
London Legal Support Trust	530
Rape Crisis Scotland	249
Release	131
Right to Remain	185
Scottish Women's Aid	265
Suffolk Law Centre	197
The Unity Project (TUP)	127
Vauxhall Community Law & Information Centre	155
Work Rights Centre	185
Z2K	150

Justice First Fellowship**1,434**

APPEAL	6
Asylum Aid	117
ATLEU	29
Citizens Advice Bradford & Airedale and Bradford Law Centre	101
Community Law Service (Northampton and County)	96
Derbyshire Law Centre	98
Dundee Law Centre	6
Family Rights Group	1
Hammersmith & Fulham Law Centre	1
Islington Law Centre	129
Joint Council for the Welfare of Immigrants	122
Just for Kids Law	123
JustRight Scotland	3
Luton Law Centre	95
Merseyside Law Centre	128
Norfolk Community Law Service	136

Shelter	111
Tower Hamlets Law Centre	27
Wiltshire Law Centre	105

Fairer Systems	1,950
-----------------------	--------------

Action for Race Equality	125
Bureau of Investigative Journalism	20
Community Law Advice Network (CLAN Childlaw)	30
Criminal Justice Alliance	125
Economic, Social and Cultural Rights in the UK (Just Fair)	90
Human Rights Consortium	265
Maternity Action	120
openDemocracy	80
Participation and the Practice of Rights	130
Public Law Project	300
Scottish Women's Aid	40
The Centre for Progressive Change	50
The Constitution Unit (University College London)	210
UNJUST CIC	157
Wales Civil Society Forum	26
Welfare Benefits Unit	182

Smarter Justice	247
------------------------	------------

Policy in Practice	147
Femicide census	100

Financial adjustments and refunds on completed grants	(62)
---	-------------

Total	7,920
--------------	--------------

Grants awarded by Justice Collaborations

Organisation	Advice and Representation £000s	Influencing £000s	Total £000s
London	589		589
EERC	150		150
Work Rights Centre	150		150
Migrants Organise Ltd	289		289
East of England	150		150
GYROS (Great Yarmouth Refugee Outreach Support)	150		150
North East	650		650
North East Law Centre	650		650
North West	561		561
Greater Manchester Immigration Aid Unit	561		561
Northern Ireland	220		220
STEP	220		220
Scotland	730		730
Just Right Scotland	220		220
Settled	290		290
Scottish Refugee Council	220		220
Yorks & Humber	275		275
PAFRAS	275		275
Northern Ireland		132	132
Migrant Centre NI		132	132
Wales		150	150
The Bevan Foundation		150	150
National		913	913
Reunite Families UK		99	99
Rights of Women		215	215
Hibiscus Initiatives		165	165
Institute for Public Policy Research (IPPR)		120	120
Women for Refugee Women		165	165

Freedom from Torture	149	149
----------------------	-----	-----

Infrastructure - National	131
----------------------------------	------------

CARAG	7
Migrant Action	20
Asylum Justice	15
Reunite Families UK	19
Settled	5
One stop advice & Training Centre	18
The Harbour project	15
Plymouth Hope	20
New Europeans	2
Asylum Aid	10

Community Justice Fund grants	69
--------------------------------------	-----------

Migrant Centre NI	23
Law Centre NI	23
STEP	23

Total	3175	1195	4570
-------	-------------	-------------	-------------

16. Related party transactions

Justice Collaborations

Transactions with the charity subsidiary: Justice Collaborations

	2024 £000s	2023 £000s
Expenditure recharged (incl staff)	383	283
Grant expenditure	(870)	(1,265)
Amounts owed by charity subsidiary	96	92
Amounts owed to charity subsidiary	(1,565)	(765)

Grantee	Trustee/Key management	Relationship	Grant awarded in the year ended 30.6.24 £000s	Balance outstanding at 30.6.24 £'000s	Grant awarded in the year ended 30.6.23 £'000s
Asylum Aid	A Pickup, Trustee	Director	117	117	-
Settled	J Ang, Trustee	Employee	295	290	13
Women for Refugee Women	R Takens-Milne, Senior Manager	Trustee	165	110	8

*J Ang, a Trustee, was Director of JustRight Scotland to March 2024. A grant of £220k was awarded to JustRight Scotland in the year ended June 2024 which was outstanding at 30 June 2024

None of the above Trustees took part in any discussions or decisions regarding a grant to a party to whom they are related.

17. Contingent assets and contingent liabilities

Group and Foundation:

Onerous lease

There is a contingent liability for the Foundation if the assignee of the lease was unable to meet any liabilities that fall due until the end of the lease in March 2028.

Due to the impact of COVID on the assignee's business, the landlord agreed to defer two quarters rent and an agreement was also reached under which the Foundation agreed to pay the rent due under the lease for the year 2021 on behalf of the assignee. The assignee agreed to repay the Foundation in equal instalments over the 18 months from January 2022. All payments have been made as per the agreement. The amount due to the Foundation at 30 June 2024 was £Nil (2023: £10k and included in debtors (see note 8)).

18. Subsidiary undertaking

Justice Collaborations (registered charity number: 1187441; company registration number: 12328192)

Justice Collaborations was established in 2019 as a registered charity and a company limited by guarantee. It is registered in England and Wales and is a wholly owned subsidiary of The Legal Education Foundation. The Legal Education Foundation is the sole member of Justice Collaborations and the liability of the member is limited to £1.

19. Reconciliation of consolidated net expenditure to net cash outflow from operating activities

	2024 £'000	2023 £'000 restated
Net movement in funds (as per the statement of financial activities)	20,175	6,186
Adjustments for:		
Other recognized gains and losses	(78)	(194)
Net gains/losses on investments	(25,973)	(7,946)
Net expenditure for the reporting period	(5,876)	(1,954)
Adjustments for:		
Investment income	(6,324)	(4,939)
Investment management costs	903	919
(Increase)/decrease in debtors	196	(2,208)
(Decrease)/Increase in creditors	233	(16)
Difference between pension cost charged and contributions paid	(10)	(24)
Net cash used in operating activities	(10,878)	(8,222)

20. Comparative statement of analysis of net assets between funds

Group	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Fixed assets	267,631	-	267,631
Current assets	10,485	11,972	22,457
Liabilities <1 year	(8,247)	(3,283)	(11,530)
Liabilities >1 year	(5,094)	(2,130)	(7,224)
	264,775	6,559	271,334

Foundation	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Fixed assets	267,631	-	267,631
Current assets	10,485	3	10,488
Liabilities <1 year	(8,247)	-	(8,247)
Liabilities >1 year	(5,094)	-	(5,094)
	264,775	3	264,778

21. Comparative statement of movement in funds

Movements in funds - Group

	At 1.7.22 £'000	Movement in funds £'000	At 30.6.23 £'000
General funds	264,577	2,083	266,660
Funds excluding pension liability	264,577	2,083	266,660
Unfunded pension liability	(2,103)	218	(1,885)
	262,474	2,301	264,775
Restricted funds	2,674	3,885	6,559
Total funds	265,148	6,186	271,334

Movement in funds - Foundation

	At 1.7.22 £'000	Movement in funds £'000	At 30.6.23 £'000
General funds	264,577	2,083	266,660
Funds excluding pension liability	264,577	2,083	266,660
Unfunded pension liability	(2,103)	218	(1,885)
	262,474	2,301	264,775
Restricted funds	3	-	3
Total funds	262,477	2,301	264,778










TLEF 2024 Financial Statements Final 1

Final Audit Report

2024-10-31

Created:	2024-10-28
By:	Sarah Fullegar (Sarah.Fullegar@TheLEF.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIAsB6ng5ecTmDTLZmzu1hmFG5qW8OvAi

"TLEF 2024 Financial Statements Final 1" History

-  Document created by Sarah Fullegar (Sarah.Fullegar@TheLEF.org)
2024-10-28 - 11:44:42 AM GMT
-  Document emailed to Paddy Sloan (psloan39@gmail.com) for signature
2024-10-28 - 11:44:52 AM GMT
-  Document emailed to Kerry Gallagher (kerry.gallagher@rsmuk.com) for signature
2024-10-28 - 11:44:52 AM GMT
-  Email viewed by Kerry Gallagher (kerry.gallagher@rsmuk.com)
2024-10-28 - 2:50:11 PM GMT
-  Signer Kerry Gallagher (kerry.gallagher@rsmuk.com) entered name at signing as RSM Uk Audit LLP 28.10.24
2024-10-28 - 2:50:52 PM GMT
-  Document e-signed by RSM Uk Audit LLP 28.10.24 (kerry.gallagher@rsmuk.com)
Signature Date: 2024-10-28 - 2:50:54 PM GMT - Time Source: server
-  Email viewed by Paddy Sloan (psloan39@gmail.com)
2024-10-31 - 4:11:00 PM GMT
-  Document e-signed by Paddy Sloan (psloan39@gmail.com)
Signature Date: 2024-10-31 - 4:11:41 PM GMT - Time Source: server
-  Agreement completed.
2024-10-31 - 4:11:41 PM GMT