

REGISTERED COMPANY NUMBER: 01480110 (England and Wales)
REGISTERED CHARITY NUMBER: 279699

NORTH KENSINGTON LAW CENTRE
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Berringers LLP
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

NORTH KENSINGTON LAW CENTRE
REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 March 2021

TRUSTEES

Ms C Alkaff
Ms L Daniels
Ms P Healy
Mr P Kandler (resigned 25.11.2020)
Mr S Caro
Mr I Saloojee (resigned 5.11.2020)
Mr T J M Delaney (resigned 21.10.2020)
Ms M L Hartley
Mr Z Khan
Ms M J Wolfe (resigned 19.3.2021)
Mr D Sweeney (resigned 2.8.2020)

REGISTERED OFFICE

Unit 23, Baseline Studios
London
Greater London
W11 4AT

**REGISTERED COMPANY
NUMBER**

01480110 (England and Wales)

**REGISTERED CHARITY
NUMBER**

279699

INDEPENDENT EXAMINER

Berringers LLP
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Law Centre is a charity whose objectives, as defined by the Articles of Association as amended on 11 July 2016, are:

- * to relieve poor persons resident or working in the Benefit Area by providing such persons with legal services which they could not otherwise obtain through lack of means;
- * the advancement of education of persons resident or working in the Benefit Area; and
- * the advancement of any charitable purposes as are beneficial to the community for persons resident or working in the Benefit Area.

The Benefit Area means the area of Greater London or elsewhere in the United Kingdom as the Charity shall from time to time consider.

Significant activities

The principal activity of the Law Centre continues to be the provision of legal advice and representation to persons resident or working within Greater London and beyond with priority given to those who live or work or have a connection with the Royal Borough of Kensington and Chelsea. The Law Centre focuses on Housing and Immigration (including cases funded by Legal Aid, where eligible) Welfare Benefits, Employment (for which Legal Aid is not available) and Crime for which the Law Centre holds a small Legal Aid contract. The organisation holds the Lexcel Quality Mark in all these areas of practice and has recently applied to join the Living Wage Foundation.

North Kensington Law Centre sits in the shadow of Grenfell Tower. Following the fire in June 2017, all resources were diverted towards assisting residents to resolve their immediate problems.

Appropriate as this response was, it left the Law Centre facing financial difficulties. In the year ended 31 March 2020 the strategy previously put in place to reduce costs and improve grant and legal aid income continued to be adopted and to prove successful. The Law Centre continues to be stable although new challenges arose due to the global COVID 19 pandemic which affected all areas of national and international life.

The Law Centre response was to make itself more resilient and to make itself and its way of working disaster resilient.

In staffing terms, we have welcomed several new members of staff this financial year;

Lola Bellieni, who joined the Law Centre as a local volunteer is now a full - time Paralegal assisting caseworkers and solicitors in the Law Centre non-UK rough sleepers project, developed in partnership with various London local authorities.

Lola has also been instrumental in organising the work of the Windrush Clinic, following the departure of the previous Paralegal in post, Holly Stow, although Holly continues involved in the work on a voluntary basis.

The Law Centre has also appointed an in - house Finance Manager, Brianna Hendry who has brought much needed financial expertise.

We continue to have a team of volunteers working on reception although the successive lockdowns have impacted on the management and participation of the volunteers.

The cancellation of the Notting Hill Carnival 2020 meant that our project working with the organisers of the Carnival to act as legal observers was not held in 2020.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Objectives & activities continued

Public Benefit

The trustees consider that the objectives and activities stated above of the Law Centre provide public benefit within the meaning and terms of the Charities Act 2011.

Staff and volunteers

Franck Michel Kiangala took over the role of Director in May 2021. He is responsible for the executive management of the organization and is the principal point of liaison between the staff and trustees.

Thalatha Wickramasinghe is the Senior Solicitor.

In addition to paid staff, the Law Centre relies heavily on the volunteers who help to run triage and offer additional support to caseworkers. Our volunteers undertake six-month placements (minimum one day a week) in triage or casework, depending on experience. Some volunteers continue to work at the Law Centre after the six-month placement.

The Law Centre sits at the base of Grenfell Tower and the Law Centre continues to work with the local community since the fire supporting residents with their legal issues. We anticipate that this work will continue for several years.

'That's great news!!! We're so relieved and pleased! With the Inquiry starting up again, it's become stressful again. Thank you so much for your time and continued support! We can't thank you enough!!!!'

We continue to serve the legal needs of the local community. In all we assisted 669 clients either through direct casework or one-off advice.

Housing

Our Housing Unit continued to be busy throughout the lockdowns, although work reduced due to the impact on the moratorium on possession proceedings announced as a result of the pandemic. Our housing team under Thalatha Wickramasinghe continues to work to prevent homelessness as well as ensuring that peoples' homes are fit for habitation, and possession proceedings have re-started, thus the workload of the unit is increasing.

'Ms RF approached our housing unit having been served with a Notice Seeking Possession on the grounds that she did not meet requirement to succeed to her late mother's tenancy, of which she was the sole carer. The matter will be heard shortly and although she appears to have a defence, her lack of knowledge of housing law means that she will almost certainly be unable to defend herself unless she accesses legal assistance. The Law Centre has taken her case on and will prepare the relevant defence and representation.'

'Mr. JM approached our housing unit, having been served with a Notice Seeking Possession on the grounds of rent arrears. Mr. JM who is employed faced temporary financial difficulties due to the pandemic. We have accepted to assist with his case'.

This is but a small sample of the road ahead, with increased court actions to clear backlogs created by the pandemic and resulting lockdowns.

We also anticipate increased need with immigration cases as the Home Office will seek to resume normal operations. Decision - making will increase at a pace and appeals will come into existence, thus creating a real need for immigration advice, assistance, and representation.

Mr. A was a 65-year-old vulnerable client who came to the Law Centre with £8000 rent arrears we did everything to reduce his arrears, 2 court hearings were adjourned for us to try and reduce his arrears, even housing benefit backdating did not resolve his issues. He still had arrears of £6000.

We tried our best to negotiate with the local authority for time to repay the arrears and exhausted all the avenues of negotiations. We represented him at the possession hearing, just before we went inside court, he stated that his property suffered from severe disrepair and sewage was coming down from the pipes to his bathroom that he had not taken a shower at home had been going to a friend's house for a shower. This was the first time he disclosed this to us despite having so many interviews during the past few months and taking detailed instructions, two minutes before we went inside court.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

This hearing was the 3rd adjourned hearing and we had no other alternative but to ask for leave to file a counterclaim for disrepair at the hearing. The judge was furious and shouted at us for bringing this to notice of court at the 3rd postponed hearing, however after lengthy arguments he granted us leave to permission to file the counter claim. We obtained expert's reports and filed the counterclaim for damages within 14 days.

The matter settled for £17,000 compensation to our client, his rent arrears of £6000 was set off and he was richer by £11,000. Our happiest moment was when the client said he could now buy a new shirt for Christmas and give presents to his loved ones which he could not afford for the past 6 years!

We have a weekly drop-in clinic which is run by BPP School of Law under the supervision of Tony Martin who is a qualified Housing solicitor employed by BPP. Typically, law students see 6 - 8 clients a week about their housing issues.

Where appropriate the students assist the clients to resolve their housing problems under the supervision of Tony Martin and the more complex cases are taking up by our housing team.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Objectives & activities continued

Employment

In 2020 - 2021 we triaged 171 employment enquiries and provided either one off advice or undertook more substantive casework. The employment team has continued to help clients from all over London with employment matters ranging from one off advice to legal work and with the return to work and the potential of discrimination due to the effects of long Covid, we anticipate the emergence of a new category of work within the employment unit. This work continues to be supported by a grant from Trust for London.

Weekly employment law clinics have been introduced and are very well used. The following is an example of the way that having expert advice can facilitate a good outcome.

'Our client, M, resigned from her place of work when asked to discriminate against job applicants on the grounds of race and nationality. We helped M make a claim to the tribunal, represented her at a preliminary hearing and carried out case management orders. We negotiated a settlement of £12,500, which reflected some evidential issues and the client's desire to avoid the stress of a hearing. We entered a damages-based agreement and were able to raise funds for the running of the law centre through this case.'

Immigration and Asylum

We have provided one off advice on the telephone and face to face to 275 asylum and / or immigration client. We also continue to provide a low-cost service for immigration cases, and we have assisted clients in making immigration applications including spouse visas, applications to naturalise and registering as British Citizens. We have undertaken 4 legal challenges to the lawfulness Home Office decisions.

As well as taking referrals from support agencies we have set up a legal clinic in conjunction with the Clement James Centre. They book the clients in to the clinic and the advice session is held at the Clement James Centre. We see up to 6 clients every 2 weeks and where appropriate we take clients on as full cases. With the social distancing measures brought about due to the pandemic, the drop-in sessions have been converted successfully to a telephone call in service.

Ms. O is an elderly Nigerian citizen whose immigration status in the UK was unresolved despite being here for over 15 years. She had no recourse to public funds and no permission to work. She suffered from various health issues and had no social network left in Nigeria. She endured physical and mental abuse from a relative on whom she was dependent for shelter and subsistence. We obtained limited leave to remain on humanitarian grounds with recourse to public funds on her behalf, regularising her stay and enabling her to seek safe accommodation of her own.'

'Client was a victim of the Grenfell fire, who suffered severely mentally from the incident, requiring care from RBKC. His support worker contacted us late in 2020 as his wife's visa was expiring in 2 weeks. The family had no money to pay for a lawyer or the application. We made an urgent fee waiver application. This was very difficult because he had severe anxiety and depression, getting him to provide documents was not easy, and his wife spoke no English. After a longer waiting period than usual, the fee waiver was granted. We made the application for further Leave to Remain in March 2021. We expect to hear a positive decision in the next week, as the Home Office has contacted us requesting a 'selfie' for her new residence card.'

Welfare Benefits

We assisted in excess of 185 clients including representing clients at appeal and undertaking substantive casework.

We saw 2 clients a day for pre-booked appointments as well as dealing with drop ins and emergencies. We concentrate on appeal at the first Tier Tribunal however we also had 3 cases in the Upper Tribunal. Every client represented at Tribunal succeeded and in the last 12 months period we recovered a total of £289,200.25 on behalf of employment and benefits clients and recorded 29 successful no financial outcomes (grants of immigration status / liberty preserved - those cases have a longer duration).

'Ms. D was refused ESA in 2018. We appealed this decision to the lower tribunal. She was refused. We appealed the decision to the Upper Tribunal. The case was successful and returned to the lower tribunal. We also applied for PIP for the client. PIP was refused. We appealed to the lower tribunal.

Both tribunals were successful, and the client was awarded the support group rate of ESA, the enhanced daily living at £89.15 per week, standard mobility of PIP at £23.60 and a backdated payment of £4,300 for ESA and £7,800 for PIP.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

She was also refused a disability element of Universal Credit. We appealed this decision to the tribunal the case was successful. She was awarded an extra element of UC increasing her income by £78.90 per week with a backdate of £5,996.75.'

Criminal Defence

We remain the only Law Centre with a criminal defence contract. For the period March 2020-April 2021 we continued to provide criminal advice assistance, although the take up numbers were reduced from the previous year due to the pandemic.

NKLC's crime department provides a unique service to the West London community and beyond that cannot be found elsewhere. We are the only Law Centre in the country with a crime department and because no other local non-profits have criminal expertise, our services fill a critical gap in our community's needs.

Like regular high street firms, we can readily service all criminal defense legal aid matters and private payers. Where we distinguish ourselves as a community organization, however, is that we are able to fill the many criminal litigation/advice gaps for individuals or families that do not qualify for legal aid or need additional pro bono servicing that no other firm will provide. Most often, these are the issues that matter most to our local population.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Objectives & activities continued

Mr. D is a local resident who suffers from severe bipolar disorder, but with medication and a dedicated mental health team has been successfully living and volunteering in his area for almost 30 years with no difficulties. Due to a change in medication form, he suffered a breakdown in July 2020 and was charged with assaulting a police officer who was attempting to detain him for a mental health assessment. Advising him to plead not guilty, we raised the case to the Crown Court for trial. After spending many hours working with his mental health team to understand the situation, we drafted a detailed advocacy letter asking CPS to dismiss the charge arguing it was not in the interests of justice to pursue the matter. Prior to the first hearing in the Crown Court, CPS agreed to present 'no evidence' and Mr. D was found not guilty.

A housing playground altercation resulted in the police investigating two young local youths, a 13-year-old and 17-year-old who had never before had any police interaction, for assault and affray. We represented both at their police station interviews and advised the whole family throughout the course of the investigation. For the last several months, we have met with the family, had many telephone and email conversations, and liaised with the police, providing constant support and information during the stressful and confusing period. The police recently agreed to 'NFA' the matter and no charges were brought against either client.

Windrush Compensation Scheme

The work of the Windrush Unit continues with alacrity and although the Paralegal assigned to it, Holly Stow has left the organisation, she continues to be involved on a voluntary basis.

The day-to-day work of the unit is conducted by Franck Kiangala, Director and Solicitor and Lola Bellieni, Paralegal with much appreciated assistance from Helen Goztas, a volunteer.

A typical result of our involvement in Windrush Compensation claims:

Ms. PG a victim of the Windrush tragedy had applied to the compensation scheme with the benefit of legal assistance. On 20th November 2020, she was offered the sum of £14,248.88 in full and final settlement for the suffering she endured due to the hostile immigration environment promoted by the Home Office. We reviewed Ms. PG's case and drafted detailed submissions to the Home Office. Following our intervention, Ms. PG's settlement was recalculated and on 19th April 2021, she was offered an improved award of £97,457.00'.

Policy and Communications

We continue to be a voice for the community and our housing paralegal Spike Western has been interviewed by BBC Radio London after the Grenfell inquiry report came out in September. He also took part in a pre-election debate on housing in November and appeared on BBC world news (TV) when a Grenfell inquiry panel member dropped out in February was again interviewed on BBC Radio London to explain what legal privilege is.

Our Director, Franck Kiangala has taken part in Law Society Podcast on Access to Justice.

As well as being a panellist on the Immigration Law Practitioners Association Roundtable on BLM: Diversity and the Law.

In policy terms the Director is working closely with the Mayor's Office to secure changes to the bereaved relative's policy.

Quality

We continue to believe that the service we offer should be comparable to anything on offer in the magic circle firms. We successfully went through a Full Lexcel audit in March 2021 The auditor repeated his observations that:

'The Centre should be highly commended for sustaining a very high level of compliance against the Lexcel Standard. It remains very clear that compliance is a deeply embedded part of the culture, and, in Lexcel terms, the Centre is an extremely efficient and extremely well-run organisation'.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

STRATEGIC REPORT

Financial position

Finances for the year to 31 March 2021 remained relatively stable in the short term. Total incoming resources for the year (which represented the total funding we had available for our activities) amounted to £616,532 (2020 £416,361), an increase mainly due to increase in grants secured. Funds earned from the provision of legal services were £112,743 (2020 £93,680). This includes our income from Legal Aid and our earned income from fees charged to clients.

Grant funding amounted to £478,449 (2020 £320,099) and donations of £20,274 (2020 £2,462).

Our expenditure for the year increased from the previous year, with the total figure of £447,637 (2020 £384,278) reflecting the work required to be done.

The result was a net surplus for the year of £168,895 (2020 £32,083) and funds carried forward of £266,014 (2020 £97,119).

Principal funding sources

The Law Centre is funded from a variety of sources including grants, donations and income derived from our contracts with the Legal Aid Agency in the areas of Housing and Immigration. A list of grantors can be found in the notes to the accounts.

The Royal Borough of Kensington and Chelsea continues to provide us with core funding, which in turn allows us to continue to continue our vital work in Welfare Benefits.

Reserves policy

The trustees have considered the charity's requirements for reserves and have established a policy that aims that the unrestricted funds not invested in tangible fixed assets held by the charity should be at least three months' expenditure.

The level of reserves increased during the 20-21 financial year, meaning the available unrestricted funds held in the charity's reserve account has almost reached the target level. This will continue to be monitored to ensure these are maintained at an appropriate level, and that where possible the reserves will be increased if average annual expenditure increases. However, care must be taken to maintain reserves in a way that doesn't reduce the activities of the law centre, as much funding is received under restricted grants.

Going concern

During the 20-21 financial year, several COVID support grants were received which supported the law centre through this disruptive and uncertain period. Although these support grants mostly came to an end by March 2021, effort is being made to secure grants for the coming years as well as increasing and maintaining Legal Aid income. The cash flow problems experienced in previous years have improved greatly resulting in increased levels of reserves, which gives the Trustees confidence that the Law Centre has a secure future ahead.

Principal risks and uncertainties

The trustees are responsible for monitoring operational and financial risks affecting the Law Centre. The Risk Register identifies the principle risks faced by the organisation. The risks are prioritised based on potential impact and likelihood of occurrence and mitigation strategies are developed in collaboration with Law Centre management staff. The Risk Register is reviewed periodically by the Management Committee.

Future plans

The Centre is actively seeking additional funds to secure the future of the Centre to enable it to continue to serve their community for many more years.

The Centre has continued to serve the Community during the current COVID-19 pandemic and has secured a number of grants and donations to that effect. The support received during this period means the Law Centre can now focus on maintaining and expanding services, with a particular focus on securing grant funding for the longer term thus improving stability within the organisation and for the people it supports in the years to come. The Trustees will continue to monitor the situation to ensure that the community can best served by the Centre.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The memorandum and articles of association were last amended on 11 July 2016.

Recruitment and appointment of new trustees

Peter Kandler founded the Law Centre in 1970 and the remaining board members are former trustees. They bring with them many years of experience of working with Law Centres. Biographical information concerning all our current trustees is available on our website.

The Law Centre seeks to ensure its trustees possess the requisite balance of developmental, legal and management skills to promote the success of the organisation and the furtherance of its objectives.

We continue to seek suitably qualified trustees to join the Law Centre with a view to bringing new skills to the organisation and promoting trustee diversity.

Organisational structure

The Law Centre is controlled by a voluntary Management Committee comprising its trustees and is led at the executive level by a Director and Senior Solicitor.

Decision making

The Management Committee has formal corporate and legal responsibility for all activities and functions of the organisation and operates as follows:

- * The full Management Committee meets monthly during the year.
- * The Finance and Personnel Sub-committee meets usually five times a year, approximately every two months and oversees the financial control, human resources management of the organisation and approves the annual budget.

The annual general meeting is usually held in the third quarter of each financial year.

The trustees have an overall responsibility for ensuring that the Law Centre has an appropriate systems of controls, financial and otherwise. The systems of internal controls are designed to provide reasonable but not absolute assurance against material misstatement of results of operations or financial position and to guard against insolvency. These systems and controls include:

- * A strategic plan and annual budget approved by the trustees;
- * Regular consideration by the trustees of financial information, variance from budgets and non-financial performance indicators;
- * Delegation of authority and segregation of duties;
- * Identification and management of risks.

Key management remuneration

	2021	2020
	£	£
Key management compensation in year	<u>98,053</u>	<u>93,248</u>

Trustee changes

Zarif Khan was appointed as chair on 9 December 2020, replacing Melanie Wolfe. Zarif is a prominent barrister who is also a local resident and brings with him a wealth of experience. Tina Alkaff remains as vice chair of the organisation.

Peter Kandler, Imran Saloojee and Joe Delaney resigned as trustees during the year.

NORTH KENSINGTON LAW CENTRE

**REPORT OF THE TRUSTEES
for the year ended 31 March 2021**

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 10 November 2021 and signed on the board's behalf by:

Mr Z Khan - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NORTH KENSINGTON LAW CENTRE**

Independent examiner's report to the trustees of North Kensington Law Centre ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCA which is one of the listed bodies.

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

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

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

Paul Allan BSoc Sc
FCA
Berringers LLP
Lygon House
50 London Road
Bromley
Kent
BR1 3RA

10 November 2021

NORTH KENSINGTON LAW CENTRE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations	2	20,274	-	20,274	2,462
Charitable activities	5				
Provision of legal services		203,847	387,345	591,192	413,779
Other trading activities	3	5,046	-	5,046	-
Investment income	4	<u>20</u>	<u>-</u>	<u>20</u>	<u>120</u>
Total		229,187	387,345	616,532	416,361
EXPENDITURE ON					
Raising funds	6	17,215	-	17,215	5,531
Charitable activities	7				
Provision of legal services		15,259	399,345	414,604	365,306
Support costs		<u>15,818</u>	<u>-</u>	<u>15,818</u>	<u>13,441</u>
Total		48,292	399,345	447,637	384,278
NET INCOME/(EXPENDITURE)		180,895	(12,000)	168,895	32,083
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>85,119</u>	<u>12,000</u>	<u>97,119</u>	<u>65,036</u>
TOTAL FUNDS CARRIED FORWARD		<u>266,014</u>	<u>-</u>	<u>266,014</u>	<u>97,119</u>

The notes form part of these financial statements

NORTH KENSINGTON LAW CENTRE

BALANCE SHEET
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	13	1,746	-	1,746	764
CURRENT ASSETS					
Work in progress	14	72,202	-	72,202	54,034
Debtors	15	109,704	-	109,704	65,601
Cash at bank		<u>159,139</u>	<u>52,216</u>	<u>211,355</u>	<u>68,907</u>
		341,045	52,216	393,261	188,542
CREDITORS					
Amounts falling due within one year	16	(76,777)	(52,216)	(128,993)	(92,187)
NET CURRENT ASSETS		<u>264,268</u>	<u>-</u>	<u>264,268</u>	<u>96,355</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>266,014</u>	<u>-</u>	<u>266,014</u>	<u>97,119</u>
NET ASSETS		<u>266,014</u>	<u>-</u>	<u>266,014</u>	<u>97,119</u>
FUNDS	17				
Unrestricted funds				266,014	85,119
Restricted funds				-	12,000
TOTAL FUNDS				<u>266,014</u>	<u>97,119</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 10 November 2021 and were signed on its behalf by:

Mr Z Khan - Trustee

The notes form part of these financial statements

NORTH KENSINGTON LAW CENTRE

**CASH FLOW STATEMENT
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>144,598</u>	<u>7,992</u>
Net cash provided by operating activities		<u>144,598</u>	<u>7,992</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(2,170)	-
Interest received		<u>20</u>	<u>120</u>
Net cash (used in)/provided by investing activities		<u>(2,150)</u>	<u>120</u>
 Change in cash and cash equivalents in the reporting period		<u>142,448</u>	<u>8,112</u>
Cash and cash equivalents at the beginning of the reporting period		<u>68,907</u>	<u>60,795</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>211,355</u></u>	<u><u>68,907</u></u>

The notes form part of these financial statements

NORTH KENSINGTON LAW CENTRE

**NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 March 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of financial activities)	168,895	32,083
Adjustments for:		
Depreciation charges	1,188	247
Interest received	(20)	(120)
Increase in work in progress	(18,168)	(33,588)
Increase in debtors	(44,103)	(23,859)
Increase in creditors	<u>36,806</u>	<u>33,229</u>
Net cash provided by operations	<u>144,598</u>	<u>7,992</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
.. Cash at bank	<u>68,907</u>	<u>142,448</u>	<u>211,355</u>
	<u>68,907</u>	<u>142,448</u>	<u>211,355</u>
• Total	<u>68,907</u>	<u>142,448</u>	<u>211,355</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Income

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

Such income is only deferred where the donor specifies that the grant or donation can be used in a future accounting period, or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to performance conditions is recognised as earned. Grant income included in this category provides funding to support advice/performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Contract and performance related grant income is deferred when received in advance of the performance of event to which they relate.

Turnover is measured at fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of VAT.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Charitable activities include both the direct and support costs relating to these activities. All support costs relate to unrestricted charitable activities.

Where VAT is irrecoverable as a result of partial exemption, this amount is charged to charitable activities.

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Work in progress

Work in progress is valued at net realisable value, after making due allowances for slow recovery and potential irrecoverable fees.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity will remain a going concern despite the difficulties faced in the past and the accounts have been prepared on that basis. A feasibility study was carried out previously indicating where costs needed to be reduced and income maximised. Currently, the Centre has stabilised the income from Legal cases, additional grants have been secured and costs have risen only slightly. The trustees will continue to monitor the situation.

Donated Assets

Donated assets are estimated at market value based on condition when received.

2. DONATIONS

	2021	2020
	£	£
Donations	<u>20,274</u>	<u>2,462</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Other income	<u>5,046</u>	<u>-</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>20</u>	<u>120</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Legal services	112,743	93,680
Grants	<u>478,449</u>	<u>320,099</u>
	<u>591,192</u>	<u>413,779</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Royal Borough of Kensington & Chelsea	64,869	63,596
Trust for London	84,500	45,000
The Tudor Trust	7,500	40,000
City Bridge Trust	45,833	50,000
Access to Justice Foundation	1,700	-
AB Charitable Trust	10,000	20,000
LCN Fund	85,000	-
Legal Education Foundation	-	55,746
London Legal Support Trust	10,485	10,000
Others - Windrush support fund	5,750	-
Kensington & Chelsea Foundation	75,752	4,007
Law Centre Network	-	11,300
Westway Trust	-	500
Big Lottery Fund	-	9,950
Hollick Family Foundation	-	10,000
National Lottery Community Fund	64,781	-
Allen & Overy Foundation	4,167	-
Paul Hamlyn Foundation	4,000	-
Refugee Action Organisation	6,112	-
The Clement James Centre	<u>8,000</u>	<u>-</u>
	<u>478,449</u>	<u>320,099</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021

6. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Advertising & marketing	<u>17,215</u>	<u>5,531</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Provision of legal services	414,604	-	414,604
Support costs	<u>-</u>	<u>15,818</u>	<u>15,818</u>
	<u>414,604</u>	<u>15,818</u>	<u>430,422</u>

8. SUPPORT COSTS

	Governance costs £
Support costs	<u>15,818</u>

Support costs, included in the above, are as follows:

Governance costs

	2021 Support costs £	2020 Total activities £
Auditors' remuneration	-	5,000
Independent examination	3,125	-
Legal & professional fees	2,460	1,721
Bookkeeping fees	7,233	6,720
Consultancy fees	<u>3,000</u>	<u>-</u>
	<u>15,818</u>	<u>13,441</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	-	5,000
Depreciation - owned assets	<u>1,188</u>	<u>247</u>

NORTH KENSINGTON LAW CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	321,048	268,880
Social security costs	25,081	20,879
Other pension costs	<u>7,279</u>	<u>6,519</u>
	<u>353,408</u>	<u>296,278</u>

The average monthly number of employees during the year was as follows:

	2021	2020
	11	9
Direct Administration	<u>2</u>	<u>2</u>
	<u>13</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations	2,462	-	2,462
Charitable activities			
Provision of legal services	187,276	226,503	413,779
Investment income	<u>120</u>	<u>-</u>	<u>120</u>
Total	189,858	226,503	416,361
EXPENDITURE ON			
Raising funds	5,531	-	5,531
Charitable activities			
Provision of legal services	149,303	216,003	365,306
Support costs	<u>13,441</u>	<u>-</u>	<u>13,441</u>
Total	<u>168,275</u>	<u>216,003</u>	<u>384,278</u>
NET INCOME	21,583	10,500	32,083

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	63,536	1,500	65,036
TOTAL FUNDS CARRIED FORWARD	<u>85,119</u>	<u>12,000</u>	<u>97,119</u>
13. TANGIBLE FIXED ASSETS			
	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	4,824	3,392	8,216
Additions	-	2,170	2,170
At 31 March 2021	<u>4,824</u>	<u>5,562</u>	<u>10,386</u>
DEPRECIATION			
At 1 April 2020	4,824	2,628	7,452
Charge for year	-	1,188	1,188
At 31 March 2021	<u>4,824</u>	<u>3,816</u>	<u>8,640</u>
NET BOOK VALUE			
At 31 March 2021	<u>-</u>	<u>1,746</u>	<u>1,746</u>
At 31 March 2020	<u>-</u>	<u>764</u>	<u>764</u>
14. WORK IN PROGRESS			
		2021	2020
		£	£
Work in progress		<u>72,202</u>	<u>54,034</u>
15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
		2021	2020
		£	£
Trade debtors		77,640	38,776
Other debtors		16,373	18,275
VAT		4,376	3,196
Prepayments		<u>11,315</u>	<u>5,354</u>
		<u>109,704</u>	<u>65,601</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2021

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	20,018	3,116
Social security and other taxes	8,850	5,889
Other creditors	4,766	4,218
Accruals and deferred income	93,716	55,583
Accrued expenses	<u>1,643</u>	<u>23,381</u>
	<u>128,993</u>	<u>92,187</u>

17. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	85,119	180,895	266,014
Restricted funds			
Fixed Assets	1,500	(1,500)	-
Windrush	10,000	(10,000)	-
Celebration of 50 years	<u>500</u>	<u>(500)</u>	<u>-</u>
	<u>12,000</u>	<u>(12,000)</u>	<u>-</u>
TOTAL FUNDS	<u>97,119</u>	<u>168,895</u>	<u>266,014</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	229,187	(48,292)	180,895
Restricted funds			
Fixed Assets	-	(1,500)	(1,500)
Legal Services	84,500	(84,500)	-
Legal Advice	110,614	(110,614)	-
Training	1,700	(1,700)	-
Windrush	4,000	(14,000)	(10,000)
Celebration of 50 years	7,500	(8,000)	(500)
Grenfell Tower	35,151	(35,151)	-
COVID-19 Support	131,713	(131,713)	-
General Support	<u>12,167</u>	<u>(12,167)</u>	<u>-</u>
	<u>387,345</u>	<u>(399,345)</u>	<u>(12,000)</u>
TOTAL FUNDS	<u>616,532</u>	<u>(447,637)</u>	<u>168,895</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2021

17. MOVEMENT IN FUNDS - continued

The Legal Service fund is to provide the salaries of caseworkers, solicitors during Covid - 19, key management and their associated costs. This is funded by Trust for London.

The Legal Advice Fund is to enable the charity to improve access to legal advice services. The grants were funded by City Bridge Trust for a triage co-ordinator, and by National Lottery Community Fund for welfare benefits and housing advice.

The Windrush Fund is to cover the legal cost of people affected by the government removing those who came over to the UK on the Windrush. The grant was funded by Paul Hamlyn Foundation.

The Celebration of 50 years were funded by Westway Trust and Tudor Trust.

General support was funded to help people in education, employment and other general support. The fund was provided by Allen & Overy Foundation and The Clement James Centre.

The Grenfell fund is to support the salary and associated costs of a paralegal/caseworker to support clients with cases related to the Grenfell Tower Fire and is funded by the Kensington & Chelsea Foundation.

Covid -19 Support was to provide Specialist advice services, support the organisation during the pandemic, purchase of equipments, deploying staffs and to support the vulnerable during Covid - 19. This was funded by Law Centre Network, Refugee Action Organisation and Kensington & Chelsea Foundation.

Training fund was provided by Access to Justice Foundation for management and leadership training for a member of staff.

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	63,536	21,583	85,119
Restricted funds			
Fixed Assets	1,500	-	1,500
Windrush	-	10,000	10,000
Celebration of 50 years	-	500	500
	<u>1,500</u>	<u>10,500</u>	<u>12,000</u>
TOTAL FUNDS	<u>65,036</u>	<u>32,083</u>	<u>97,119</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2021

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	189,858	(168,275)	21,583
Restricted funds			
Legal Services	85,000	(85,000)	-
Legal Advice	105,746	(105,746)	-
Windrush	21,300	(11,300)	10,000
Celebration of 50 years	500	-	500
Client voices project	9,950	(9,950)	-
Grenfell Tower	<u>4,007</u>	<u>(4,007)</u>	<u>-</u>
	<u>226,503</u>	<u>(216,003)</u>	<u>10,500</u>
TOTAL FUNDS	<u>416,361</u>	<u>(384,278)</u>	<u>32,083</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.