

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

NORTH KENSINGTON LAW CENTRE
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

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

NORTH KENSINGTON LAW CENTRE

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for the year ended 31 March 2024**

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NORTH KENSINGTON LAW CENTRE
REFERENCE AND ADMINISTRATIVE DETAILS
for the year ended 31 March 2024

TRUSTEES	Ms C Alkaff Ms L Daniels Ms P Healy Mr S Caro Ms M L Hartley Mr Z Khan Ms H Beaumont (resigned 13.3.2024) Mr A Daddou Ms L M Acland Ms N Nail
REGISTERED OFFICE	Unit 24 Baseline Business Studios Whitchurch Road London W11 4AT
REGISTERED COMPANY NUMBER	01480110 (England and Wales)
REGISTERED CHARITY NUMBER	279699
INDEPENDENT EXAMINER	Berringers LLP Chartered Accountants Lygon House 50 London Road Bromley Kent BR1 3RA

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

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 2024. 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.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

OBJECTIVES AND ACTIVITIES

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.

Our focus is on Housing, Asylum and Immigration (including cases funded by Legal Aid, where eligible and in scope) Welfare, Benefits, Employment, (for which Legal Aid is not available) and Crime for which the Law Centre no longer holds a Legal Aid Contract, but a small amount pro bono work is carried out by a volunteer Crime solicitor.

The organisation holds the Lexcel Quality Mark in all these areas of practice and is an Accredited Living Wage and London Living Wage employer (member of the Living Wage Foundation).

Whilst Kensington and Chelsea features among the top 10% of UK local economies in the 2021 UK Prosperity Index, more than 1 in 5 (23%) Kensington and Chelsea neighbourhoods are among the 20% most income-deprived in England and Wales, one in four children in Kensington and Chelsea (24.4%) lived in poverty in 2019/20.

In the Notting Dale ward of Kensington & Chelsea, in which the law centre is located, 26.4% of children were living in poverty in 2021/22.

Deprivation in Kensington and Chelsea is not a new phenomenon, but the Grenfell Tower fire and the Covid-19 pandemic have highlighted and intensified the issue.

Although a new UK Prosperity Index report has not been published since 2021, the K and C Foundation report published in 2023 reports that the wealth and outcomes gap within the borough have measurably widened, while poverty and deprivation, and their impact, have deepened.

In particular, the economic impact of lockdowns and social restrictions have still left many struggling to make ends meet, put food on the table and heat their homes. This situation has not improved from our last report and anecdotal evidence and reports suggest that reliance on food banks has greatly increased, in some cases becoming essential.

In a more general perspective, although the hardships experienced in North Kensington and the rest of the borough were amplified due to local and specific factors, it did not escape the Law Centre's attention that the hardship was felt and continues to be felt across London and the nation.

In addition to these very challenging conditions, the crisis created by the rising costs of living is creating a perfect storm for the marginalised communities that North Kensington Law Centre was established to assist.

In light of the severe hardship that our local residents and Londoners at large have continued to feel, North Kensington Law Centre has sought to redouble its efforts in terms of being a local community as well as a pan-London asset.

We have seen that our specialist legal knowledge is an important tool in the mission to relieve destitution and poverty.

In this rising cost of living crisis, we are particularly proud of the impact that our Welfare Benefit Unit has, in improving the lives of marginalised communities through the maximisation of benefits having raised £749,941.94 in this year to date. We are grateful to our experienced Senior Welfare Benefits Advisor Adrian Cooper, a veteran of the North Kensington Law Centre, who has now been with us for over 20 years.

However, all involved, employed and volunteer staff are to be commended for the tremendous difference that they make to all those who access our services.

We continue to provide high quality advice through our Employment Unit, improving working and health and safety conditions and ensuring fairness in the labour market as well as empowering workers to understand their conditions better.

**REPORT OF THE TRUSTEES
for the year ended 31 March 2024**

OBJECTIVES AND ACTIVITIES

Barry Mills, our Senior Employment Advisor has been joined by Employment Solicitor Shirl Wong (who partially moved from the Immigration team, where she retains a modest caseload) and they have been instrumental in the success of the Employment Unit.

- People are classed as "economically inactive" if they are not in employment but don't meet the criteria for being "unemployed". This means they have not been seeking work within the previous four weeks or were unable to start work within the next two weeks. Common reasons include being retired, looking after the home or family or being temporarily or long-term sick and disabled.

- Economic inactivity in Kensington and Chelsea is higher than across London and Great Britain.

- Kensington and Chelsea's employment rate was lower than across London as a whole in the year ending December 2023.

- Of people aged 16 to 64 years living in Kensington and Chelsea, 60.6% were employed in the year ending December 2023. This is a decrease compared with the year ending December 2022 when the local rate was 69.8%.

- Across London in the year ending December 2023, 74.6% of people aged 16 to 64 years were employed. This was lower compared with the previous year, when 76.2% of people were employed.

Employment rate 60.6% ages 16 to 64

- Employment in Kensington and Chelsea has decreased compared with the previous year. Kensington and Chelsea's employment rate was lower than across London as a whole in the year ending December 2023.

Unemployment rate 5.9% (ages 16+)

- Unemployment (people looking for work) has risen since a year earlier. The most recent unemployment rate for Kensington and Chelsea was higher than across London as a whole. **ONS**

- <https://www.ons.gov.uk/visualisations/labourmarketlocal/E09000020/>

The rising cost of living crisis has had many effects, locally and nationally. More specifically:

- The cost-of-living crisis is piling pressure onto households on the lowest incomes, with the lowest income decile particularly exposed. Analysis by Crisis finds they are spending more than their income on average on housing, food and energy costs. This means that they are at risk of debt, eviction and homelessness, even before further essential living costs have been accounted for. Households in the private rented sector are particularly exposed, due to higher housing costs, with the lowest income decile facing total average housing, food and energy costs exceeding their incomes by 43 per cent.

- With rents rising at record rates, findings from Crisis' research into the cost-of-living crisis has found that over half of low-income renters across GB in November 2022 said their rent had increased and nearly one in four households in receipt of housing benefit (24 per cent) were expecting to fall behind on housing payments over the winter. Citizens Advice reports rapidly rising rent arrears among housing benefit recipients, and evictions from the private rented sector are rising and are a growing cause of homelessness. (Extract from A tale of two crises: housing and the cost of living - A report by Crisis 2022).

- The most recent London housing market report highlights that rental prices have continued to rise across the city, with areas like North Kensington experiencing significant strain. This trend is contributing to increasing vulnerability among low-income renters, with risks of eviction and homelessness remaining high ([Greater London Authority](#) (May 2024) on housing trends).

Our Housing Unit continues to be led by our Senior Supervising Solicitor Thalatha Wickramasinghe who plays a vibrant and dynamic role in seeking to tackle and bring relief to the housing crisis brought about by the rising cost of living crisis, seeking to avoid evictions and homelessness on behalf of our local residents as well as being a strong advocate for better housing conditions.

- The freeze on LHA (Local Housing Allowance) rates makes it increasingly difficult for local authorities and individual families to find accommodation where LHA rates cover the rents charged. This is driving homelessness demands as families can no longer afford to live in properties they may have started to rent some years ago. [West London Housing Partnership \(WLHP\)](#) Sep/Oct 2023.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

There has never been a more pressing moment in the field of Immigration and Asylum as the present headlines have shown.

The Illegal Migration Act 2023 reinforced the already existing hostile immigration environment and hardening the already precarious position of migrants and asylum seekers arriving in the United Kingdom.

This has been tempered by the change of government with the resulting abandonment of previous flagship policies such as the Safety of Rwanda Bill and a move back from sending some asylum seekers to Rwanda, as well as the closure of the infamous Bibby Stockholm.

As a Law Centre, we are overwhelmed by the recent outpouring of public support shown by many sections of the public for the work that our Immigration and Asylum unit undertakes.

Our Immigration and Asylum Unit continues its excellent and highly committed work in the defence and representation of asylum seekers, migrants and their families, victims of trafficking and Modern Slavery, victims of the Windrush Scandal as well as the difficulties created by Brexit to a cohort that was previously 'invisible' in immigration terms.

Our talented unit comprises of Cassim Yacoobali, Shilpa Caute, Piret Akkerman, Franck Kiangala, Emmy Todd and Shirl Wong, (whom we thank for her talent and hard work, as she partially moved across to Employment in July 2024).

However, all the good work performed by our colleagues would be of no value and our assistance to those most in need of less impact without the support of a dedicated and extremely efficient triaging system, which is ably and expertly led by our Triage Coordinator and IT and Media Policy Lead Alero Hart and her exceptional team of volunteers, as well as last but not least, the diligent and conscientious hard work and support of our Administrator, Mariam Abul - Essad.

North Kensington Law Centre has been in existence for 54 years, founded by Peter Kandler and Tony Gifford KC.

Peter remains an inspiring presence and together with Tony Gifford KC, they remain ardent and committed supporters not only of North Kensington Law Centre but of the whole Law Centre movement.

OBJECTIVES AND ACTIVITIES

Our current management sees it as a point of honour not to let the flame extinguish itself and for this reason, Brianna Hendry, our much valued Finance Manager constantly assesses and reviews our financial operations with the keenest of eyes and expertise, ensuring that we continue to make the sound financial choices which add value and resilience to the Law Centre.

Our Director, Franck Kiangala has the overall responsibility to ensure that the services we bring locally and across London are relevant for the time that we are going through, the financial and managerial resilience of North Kensington Law Centre and the continued special place that North Kensington Law Centre has locally and within the Law Centres' movement.

This includes not just in present terms but also in terms of projecting our organisation into the future, so that we continue to be relevant for the times ahead.

North Kensington Law Centre is a not - for - profit organisation and its ultimate supervision rests with our valued and committed Trustees, who have supported us indefatigably throughout the years, generously donating their precious time, expertise and experience to ensure that the Law Centre excels and that the best interests of those it purports to serve are at the forefront of our actions.

As in previous years, North Kensington Law Centre has been very busy and we assisted 1,511 people in the period between 1st April 2023 to 31st March 2024, generating 1,600 cases which was a 70% increase in cases compared to the prior year.

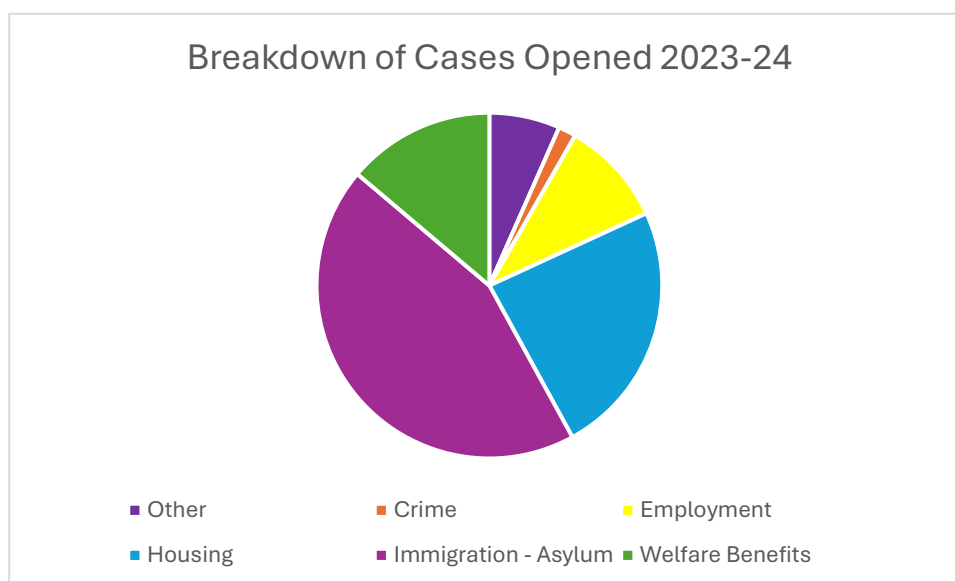
This report would not be complete without a strong and sincere 'thank you' to our Trustees who continue to support us through their commitment and good governance of NKLC.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

Cases Opened by Category in the period 1st April 2023 to 31st March 2024

Case Details Matter Category	Client Details Count Number of Clients	Case Details Count Number of Cases
Other	100	100
Crime	25	26
Employment	149	151
Housing	361	370
Immigration - Asylum	667	689
Welfare Benefits	209	264
Report Total	1511	1600



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 2022.

OBJECTIVES AND ACTIVITIES

Staff and volunteers

Staff

Franck Kiangala - Director & Solicitor (Immigration & Asylum - Supervisor)
Brianna Hendry - Finance Manager
Thalatha Wickramasinghe - Senior Supervising Solicitor (Housing)
Cassim Yacoobali - Solicitor (Immigration & Asylum - Supervisor)
Shirl Wong - Solicitor (Immigration & Asylum, partially moved to Employment July 2024)
Shilpa Caute - Senior Caseworker (Immigration & Asylum)
Piret Akkerman - Senior Caseworker (Immigration & Asylum)
Emmy Todd - Caseworker (Immigration & Asylum)
Barry Mills - Senior Employment Caseworker & Supervisor
Adrian Cooper - Senior Welfare Benefits Caseworker & Supervisor
Alero Hart - Triage Co-Ordinator & IT and Media Policy Lead
Mariam Abul-Essad - Administrator

Volunteers

North Kensington 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.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

STRATEGIC REPORT

Financial position

Finances for the year to 31 March 2024 remained relatively strong and stable in the short term. Total incoming resources for the year (which represented the total funding we had available for our activities) amounted to £755,511, (2023 - £581,430), an increase mainly due to an increase in grant funding received. Funds earned from the provision of legal services were £96,790 (2023 - £38,826). This includes our income from Legal Aid and our earned income from fees charged to clients.

Grant funding amounted to £652,942 (2023 - £539,254) and donations of £1,683 (2023- £2,263).

Our expenditure for the year increased from the previous year, with the total figure of £584,345 (2023 - £493,487).

The result was a net surplus for the year of £171,166 (2023- £87,943) and funds carried forward of £565,337 (2023- £394,171) of which £565,337 are free reserves.

Salary Increases

Modest salary increases to account for the rising cost of living were affected across the law centre and parity across supervisors maintained.

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 continued to provide us with funding, which in turn allows us to continue our vital work.

STRATEGIC REPORT

Financial review

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 remained relatively unchanged during the 23-24 financial year, 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.

With expected increases in costs given the current economic climate, it is likely that these reserves will need to be regularly reviewed to ensure that the target is being met against current costs. 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

We received a wide range of funding throughout the 23-24 year. This was greatly appreciated and meant that we were able to continue delivering services and supporting the community throughout the year.

We have a strong plan in place to continue seeking and applying for funding to support our work, and some new grants have already been secured for the new financial year. As a result of these efforts, the Trustees have confidence that the Law Centre has a secure future ahead.

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 Law Centre aims to 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. We also aim to ensure more even funding across our departments, as well as seeking funding to support our core costs to a greater degree. The Trustees will continue to monitor the situation to ensure that the community can be best served by the Centre.

NORTH KENSINGTON LAW CENTRE

REPORT OF THE TRUSTEES for the year ended 31 March 2024

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, and are under review for potential additional amendments.

Recruitment and appointment of new trustees

Our trustees have a wide range of experience, many of whom bring years of experience of working with Law Centres.

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.

A skills audit was conducted with trustees to ensure that there is a balance of knowledge and experience across the trustee board.

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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 approximately every six weeks during the year.
- * The finance sub-committee meets at least 6 times per year.

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 system 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

	2024	2023
	£	£
Key management compensation in year	<u>97,352</u>	<u>96,922</u>

Trustee changes

Harriet Beaumont resigned as a trustee in March 2024.

Report of the trustees, incorporating a Strategic report, approved by order of the board of trustees, as the company directors, on 14 November 2024 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 2024.

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 member of the Institute of Chartered Accountants in England and Wales, 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 BSocSc FCA
The Institute of Chartered Accountants in England and Wales

Berringers LLP
Chartered Accountants
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Bromley
Kent
BR1 3RA

14 November 2024

NORTH KENSINGTON LAW CENTRE

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2024**

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations	2	1,683	-	1,683	2,263
Charitable activities	5				
Provision of legal services		217,672	532,060	749,732	578,080
Other trading activities	3	450	-	450	50
Investment income	4	<u>3,646</u>	<u>-</u>	<u>3,646</u>	<u>1,037</u>
Total		<u>223,451</u>	<u>532,060</u>	<u>755,511</u>	<u>581,430</u>
 EXPENDITURE ON					
Raising funds	6	-	-	-	5,826
Charitable activities	7				
Provision of legal services		15,212	532,060	547,272	447,710
Support costs		<u>37,073</u>	<u>-</u>	<u>37,073</u>	<u>39,951</u>
Total		<u>52,285</u>	<u>532,060</u>	<u>584,345</u>	<u>493,487</u>
 NET INCOME		171,166	-	171,166	87,943
 RECONCILIATION OF FUNDS					
Total funds brought forward		394,171	-	394,171	306,228
 TOTAL FUNDS CARRIED FORWARD		<u>565,337</u>	<u>-</u>	<u>565,337</u>	<u>394,171</u>

The notes form part of these financial statements

NORTH KENSINGTON LAW CENTRE

BALANCE SHEET 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	13	9,881	-	9,881	3,502
CURRENT ASSETS					
Work in progress	14	65,877	-	65,877	73,864
Debtors	15	92,527	-	92,527	75,332
Cash at bank and in hand		<u>416,116</u>	<u>46,890</u>	<u>463,006</u>	<u>307,846</u>
		574,520	46,890	621,410	457,042
CREDITORS					
Amounts falling due within one year	16	(19,064)	(46,890)	(65,954)	(66,373)
NET CURRENT ASSETS		<u>555,456</u>	<u>-</u>	<u>555,456</u>	<u>390,669</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>565,337</u>	<u>-</u>	<u>565,337</u>	<u>394,171</u>
NET ASSETS		<u>565,337</u>	<u>-</u>	<u>565,337</u>	<u>394,171</u>
FUNDS	17				
Unrestricted funds				<u>565,337</u>	<u>394,171</u>
TOTAL FUNDS				<u>565,337</u>	<u>394,171</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 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 14 November 2024 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 2024**

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>160,886</u>	<u>128,956</u>
Net cash provided by operating activities		<u>160,886</u>	<u>128,956</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(9,372)	(3,327)
Interest received		<u>3,646</u>	<u>1,037</u>
Net cash used in investing activities		<u>(5,726)</u>	<u>(2,290)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		155,160	126,666
Cash and cash equivalents at the beginning of the reporting period		<u>307,846</u>	<u>181,180</u>
 Cash and cash equivalents at the end of the reporting period		<u>463,006</u>	<u>307,846</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 2024**

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

	2024	2023
	£	£
Net income for the reporting period (as per the Statement of financial activities)	171,166	87,943
Adjustments for:		
Depreciation charges	2,993	831
Interest received	(3,646)	(1,037)
Decrease in work in progress	7,987	11,021
(Increase)/decrease in debtors	(17,195)	68,824
Decrease in creditors	(419)	(38,626)
Net cash provided by operations	<u>160,886</u>	<u>128,956</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>307,846</u>	<u>155,160</u>	<u>463,006</u>
	<u>307,846</u>	<u>155,160</u>	<u>463,006</u>
Total	<u>307,846</u>	<u>155,160</u>	<u>463,006</u>

The notes form part of these financial statements

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2024

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 2024

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

	2024	2023
	£	£
Donations	<u>1,683</u>	<u>2,263</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued **for the year ended 31 March 2024**

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Other income	<u>450</u>	<u>50</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>3,646</u>	<u>1,037</u>

5. INCOME FROM CHARITABLE ACTIVITIES

		2024	2023
	Activity	£	£
Legal services	Provision of legal services	96,790	38,826
Grants	Provision of legal services	<u>652,942</u>	<u>539,254</u>
		<u>749,732</u>	<u>578,080</u>

North Kensington Law Centre is in partnership with Ealing Law Centre for the grant received from London Councils. As lead applicant they receive the funds on behalf of Ealing Law Centre and pass them on. The amount received has been accounted for by including the total receipt in income and the amount paid to Ealing Law Centre as an expense.

	2024	2023
	£	£
Amount received from London Councils	393,411	190,421
Amount paid to Ealing Law Centre	<u>87,033</u>	<u>56,175</u>
Amount relating to North Kensington Law Centre	<u>306,378</u>	<u>134,246</u>

Without this adjustment the grants received figures would be £566,446 for 2024.

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

	2024	2023
	£	£
Royal Borough of Kensington & Chelsea	58,382	58,382
Trust for London	47,417	67,625
Access to Justice Foundation	113,884	96,822
AB Charitable Trust	5,000	15,000
London Legal Support Trust	10,000	10,000
Kensington & Chelsea Foundation	-	37,554
Hollick Family Foundation	-	10,000
National Lottery Community Fund	45,451	44,700
Allen & Overy Foundation	-	1,667
Westminster Amalgamated	-	4,000
Peter Stebbings Memorial Charity	-	2,083
The Grace Trust	-	1,000
London Councils	<u>372,808</u>	<u>190,421</u>
	<u>652,942</u>	<u>539,254</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

6. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Advertising & marketing	<u>-</u>	<u>5,826</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Provision of legal services	547,272	-	547,272
Support costs	<u>-</u>	<u>37,073</u>	<u>37,073</u>
	<u>547,272</u>	<u>37,073</u>	<u>584,345</u>

8. SUPPORT COSTS

	Governance costs £
Support costs	<u>37,073</u>

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

Governance costs

	2024 Support costs £	2023 Total activities £
Independent examination	3,550	3,429
Legal & professional fees	4,428	4,916
Bookkeeping fees	1,480	1,856
Consultancy fees	<u>27,615</u>	<u>25,550</u>
	<u>37,073</u>	<u>35,751</u>

9. NET INCOME/(EXPENDITURE)

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

	2024 £	2023 £
Depreciation - owned assets	<u>2,993</u>	<u>831</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

11. STAFF COSTS

	2024 £	2023 £
Wages and salaries	347,554	295,426
Social security costs	29,307	24,110
Other pension costs	<u>11,632</u>	<u>9,271</u>
	<u>388,493</u>	<u>328,807</u>

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

	2024	2023
Direct	10	9
Administration	<u>2</u>	<u>2</u>
	<u>12</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	2,263	-	2,263
Charitable activities			
Provision of legal services	236,113	341,967	578,080
Other trading activities	50	-	50
Investment income	<u>1,037</u>	<u>-</u>	<u>1,037</u>
Total	<u>239,463</u>	<u>341,967</u>	<u>581,430</u>
EXPENDITURE ON			
Raising funds	5,826	-	5,826
Charitable activities			
Provision of legal services	105,743	341,967	447,710
Support costs	<u>39,951</u>	<u>-</u>	<u>39,951</u>
Total	<u>151,520</u>	<u>341,967</u>	<u>493,487</u>
NET INCOME	87,943	-	87,943

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	306,228	-	306,228
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>394,171</u>	<u>-</u>	<u>394,171</u>

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2023	2,083	6,806	8,889
Additions	<u>9,372</u>	<u>-</u>	<u>9,372</u>
At 31 March 2024	<u>11,455</u>	<u>6,806</u>	<u>18,261</u>
DEPRECIATION			
At 1 April 2023	39	5,348	5,387
Charge for year	<u>2,295</u>	<u>698</u>	<u>2,993</u>
At 31 March 2024	<u>2,334</u>	<u>6,046</u>	<u>8,380</u>
NET BOOK VALUE			
At 31 March 2024	<u>9,121</u>	<u>760</u>	<u>9,881</u>
At 31 March 2023	<u>2,044</u>	<u>1,458</u>	<u>3,502</u>

14. WORK IN PROGRESS

	2024 £	2023 £
Work in progress	<u>65,877</u>	<u>73,864</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	13,827	20,250
Other debtors	69,625	45,355
VAT	-	1,592
Prepayments	<u>9,075</u>	<u>8,135</u>
	<u>92,527</u>	<u>75,332</u>

NORTH KENSINGTON LAW CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	6,787	7,189
Social security and other taxes	-	9,066
VAT	2,243	-
Other creditors	45	2,028
Deferred income	46,890	34,829
Accrued expenses	<u>9,989</u>	<u>13,261</u>
	<u>65,954</u>	<u>66,373</u>

17. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	394,171	171,166	565,337
	<u>394,171</u>	<u>171,166</u>	<u>565,337</u>
TOTAL FUNDS	<u>394,171</u>	<u>171,166</u>	<u>565,337</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	223,451	(52,285)	171,166
Restricted funds			
Connected Communities fund	40,542	(40,542)	-
Reaching Communities fund	45,451	(45,451)	-
Windrush	6,875	(6,875)	-
Immigration Advice for Rough Sleepers	372,808	(372,808)	-
Access to Justice Foundation IOTLS			
	<u>66,384</u>	<u>(66,384)</u>	<u>-</u>
	<u>532,060</u>	<u>(532,060)</u>	<u>-</u>
TOTAL FUNDS	<u>755,511</u>	<u>(584,345)</u>	<u>171,166</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 March 2024

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	306,228	87,943	394,171
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>306,228</u>	<u>87,943</u>	<u>394,171</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	239,463	(151,520)	87,943
Restricted funds			
Connected Communities fund	34,500	(34,500)	-
Reaching Communities fund	44,700	(44,700)	-
Windrush	33,125	(33,125)	-
Grenfell Tower	37,554	(37,554)	-
General Support	1,667	(1,667)	-
Immigration Advice for Rough Sleepers	<u>190,421</u>	<u>(190,421)</u>	<u>-</u>
	<u>341,967</u>	<u>(341,967)</u>	<u>-</u>
TOTAL FUNDS	<u>581,430</u>	<u>(493,487)</u>	<u>87,943</u>

Connected Communities Advice Work fund to provide for the salaries and associated costs for an employment caseworker and paralegal for employment casework and representations. This is funded by Trust for London.

Reaching Communities fund is to support a Welfare Benefits and Housing Advice Triage Project to enable the charity to improve access to legal advice services. This is funded by the National Lottery Community Fund.

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 Trust for London.

Immigration Advice for Rough Sleepers project was funded by London Councils to deliver immigration advice to people who are or who are at risk of sleeping rough. This project is being conducted in partnership with Ealing Law Centre.

Access to Justice Foundation funding was provided to improve outcomes through legal support (IOTLS). This provides support for triage, caseworker and solicitor salaries and associated costs.

NORTH KENSINGTON LAW CENTRE

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2024**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

This page does not form part of the statutory financial statements