



South Wales Law Centre Ltd

t/a “Speakeasy Law Centre”

Annual Report and Accounts

For the year to 31 March 2020

Contents

Charity Information	2
Report of the Trustees	3 - 8
Report of the Independent Examiner	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Accounts	12 - 20

Charity Information

Charity Name:	South Wales Law Centre Ltd
Working Names:	Speakeasy Law Centre
Registered Numbers:	Company Number: 7550894 Charity Number: 1140949
Registered Office:	166 Richmond Road Cardiff CF24 3BX
Website address:	www.speakeasy.cymru
Trustees:	Norman Adams Paul Francis John Loosemore Nkini Pulei Madeline Rees (resigned 6 th September 2019) Rachel Treseder Steve Williams
Centre Director:	Warren Palmer
Independent Examiner:	Steve Ellum Steve Ellum & Associates Ltd Chartered Accountants Adulum House Glan Yr Afon Llanelli SA15 3QB
Bankers:	The Co-Operative Bank plc PO Box 250 Delf House South Way Skelmersdale WN8 6WT

Report of the Trustees (incorporating the directors' report) For the Year to 31 March 2020

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 March 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

Objectives and Activities

As laid out in its governing document the charity exists for:

The promotion of any charitable purpose for the benefit of the community of South Wales by the advancement of education, the protection of health and the relief of poverty, sickness and distress.

The Speakeasy Law Centre provides free advice to some of the most vulnerable people within the community. We are unique in Wales in being the only not-for-profit agency that employs qualified solicitors for each of Debt, Housing, Employment and Welfare Benefits problems. We are also the only not-for-profit organisation in Wales that provides training contracts for solicitors.

Our main activities include:

- Delivering free, high quality, legal advice and representation;
- Acting on behalf of clients and dealing with their creditors, helping them to manage their finances better and releasing them from debt;
- Advising on benefit entitlement and challenging decisions of the DWP where these appear incorrect or unfair, often taking complex cases to Tribunal;
- Assisting clients faced with homelessness, disrepair or other housing problems;
- Advising on employment rights and drafting documents for Employment Tribunal claims.

Becoming a Law Centre

On 8 April 2019, the Speakeasy became a full member of the Law Centres Network. Law Centres are known internationally for employing social welfare solicitors to provide free, expert legal advice and representation. The Speakeasy had operated in a similar way for more than 25 years and we recognised the advantages of working more closely with other Law Centres.

We also changed our legal name from Action in the Community Trust to the South Wales Law Centre, but retained our distinctive name by trading as the 'Speakeasy Law Centre'.

In the year since our membership, we have seen greater recognition of our contribution to the community of South Wales, both in terms of funding and in influence.

Achievements and Performance

Representation on national and regional bodies

In June, the Centre Director was invited by Jane Hutt MS to join the National Advice Network committee, set up 'to provide expert and impartial advice to the Welsh Government on the strategic development of information and advice services in Wales'. The committee comprises of senior members of the advice sector, as well as others from the voluntary and health sectors.

The Centre Director also continued his role as Trustee of AdviceUK, the largest network of independent advice organisations in Great Britain and Northern Ireland.

The Deputy Director (Simon Brown) was elected to the Executive Committee of the Law Centres Network in November 2019, meaning that the Committee has a voice from Wales for the first time in many years. He was also invited onto the steering group of the Welsh Government's Regional Advice Network, which is charged with the encouragement and facilitation of greater partnership working within the sector.

Public funding in partnership with Citizens Advice

The Speakeasy Law Centre has a strong relationship with Citizens Advice, Cardiff and Vale, working together for several years under a grant from Cardiff Council. This year, our partnership was extended to working under the Welsh Government Single Advice Fund, allowing us to employ a solicitor to undertake employment law cases for the first time. We were able to recruit a solicitor with more than 25 years' experience of employment law and address a real need in this area of law.

Grant funding

In an environment of increasing demand and diminishing public funding, there is real competition for charitable grant funding. Our success in obtaining a number of significant grants this year, listed below, indicates that the work we do and our unique role in Wales is recognised and valued. We were also honoured to be awarded funding from the Guardian this year, following its Christmas Appeal for those affected by the Home Office's Hostile Environment.

Training

The Speakeasy Law Centre has a unique role in training solicitors in the social welfare sector, as the only not-for-profit agency in Wales to do so.

This year, two of our employees qualified as solicitors and now work for the legal teams of two Welsh public bodies, taking with them the experience of seeing how expert legal advice, provided free of charge, can change the lives of some of the most vulnerable of our communities.

Our role in providing such training was once more recognised by the award of grants both by the Legal Education Foundation and by Therium Access. As a result, two more trainee solicitors started their training contracts with us at the start of this year and both will take part in the prestigious Justice First Fellowship, run by the Legal Education Foundation.

As part of our Guardian Appeal funding, we also provided training to more than 20 of Cardiff Council's senior decision-makers on the issue of an EU national's right to reside. This is a complex area of law which the DWP and local authorities often get wrong, meaning that families who have lived and worked in the UK for many years are denied their benefit entitlement and housing support.

Achievements and Performance (continued)

Lawtech event

The existence of ‘advice deserts’ in Wales has been noted for a number of years and the potential use of technology to try to address this problem has been something exercising the Welsh Government and the advice sector for some time.

In December 2019, the Deputy Director set up and hosted an event at Sophia Gardens – Tech for Justice Cymru. With support from Welsh Government and the Legal Education Foundation, more than 40 delegates from across Wales attended the event, representing frontline advice organisations, funders, local authorities, universities, tech developers and researchers. The event was very well received and provided an opportunity to exchange ideas and to build a network of organisations exploring how such an approach might help those living in the sparsely populated rural areas of Wales. One participant commented, "Excellent event with many people I have not met previously with new connections made to support this area of social welfare legal advice and use of technology."

Casework

The Speakeasy Law Centre provides easily accessible advice for Debt, Housing, Employment and Welfare Benefits problems. Each week our solicitors and trainee solicitors held drop-in clinics, so that people could access help without delay.

The Speakeasy Law Centre also provides help at a level beyond that of other local providers, with experienced solicitors covering Debt, Housing, Employment and Welfare Benefits. Where appropriate, we provide representation at First Tier Tribunals and the Upper Tribunal. This year we attended Tribunals for clients with complex overpayment and disability benefit cases.

In one such case, we successfully argued that our client did not have to repay £75,000 in tax credits as there was in fact no overpayment. In a second case, a client was facing a criminal investigation, as well as a civil demand for the repayment of £30,000. Even more pressingly, in spite of his disability and that of one of his children, he was denied further means-tested benefits, so that he had no money for his rent or food. We successfully argued that he was at all times entitled to means-tested benefits, with the result that his benefits were reinstated and backdated, he had nothing to repay and the criminal investigation was dropped.

We regularly see clients struggling with chronic debt. Often we are able to arrange affordable repayment plans and ensure that clients have enough money for food and to pay their mortgage, rent and energy bills. Other times, insolvency options provide clients with a fresh start. We have a Debt Relief Order Intermediary registered with the Insolvency Service and can also help with bankruptcy. This year more than £900,000 of debt was written off for our clients through our help.

More than 30 local employment solicitors have signed up to a rota to help out at our pro bono employment clinic. Here, they attend after hours to see 10 or more clients each session, giving initial advice or helping to draft employment tribunal documents. The clinic has been recognised at the national Lawworks Pro Bono Awards by winning the Lawworks Cymru Award in both 2015 and 2016.

Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake. The paragraphs above provide further information.

Structure, Governance and Management

Governing document

South Wales Law Centre is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

Recruitment and appointment of trustees

The charity is governed by a board of trustees, who are also directors of the company, and who are responsible to give direction and oversight to all aspects of its activities. New trustees are appointed by the existing trustees.

Induction and training of trustees

The need for new trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with trustees or the centre director. Several trustees have 20 to 30 years' experience of corporate and charitable governance and are able to act as mentors to new trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

Financial Review

Results

Net income for the year amounted to £26,676 (2019: net expenditure £40,896). Unrestricted funds carried forward at the year end were £395,253 (2019: £368,577). Restricted funds carried forward at the year end were £Nil (2019: £Nil).

Reserves policy

2018-2019 was a transitional year, as we used some of our reserves to reconfigure our services and work towards becoming part of the Law Centres Network. This year, we achieved our objective of increasing our level of reserves once again.

The Charity aims to hold reserves equivalent to three months' salary costs (approx. £52,000) and owns its own building, which has substantial value and is free of mortgage. Free Reserves at the year end were £73,239 (2019: £42,876).

Income Sources

The Trust receives grants from statutory bodies and charitable foundations, and donations from a number of churches and individual donors.

We are grateful to the following organisations for grants this year:

- A B Charitable Trust
- Access to Justice Foundation
- Cardiff County Council
- The Guardian (Christmas Appeal)
- Legal Education Foundation
- Lloyds Bank Foundation
- Reaching Justice Wales
- The Sheldon Trust
- Therium Access
- Welsh Government (Single Advice Fund)

We are also very grateful for donations towards our work from many individual donors and from several churches in Cardiff.

Responsibilities of the Trustees

The trustees (who are also directors of South Wales Law Centre for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are prudent and reasonable
- State where applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2016 relating to small companies.

On behalf of the board on 12th June 2020.



John Loosemore
Chair of Trustees



Paul Francis
Trustee

**Independent Examiner's Report
To the Members of South Wales Law Centre
For the Year to 31 March 2019**

Independent examiner's report to the trustees on the unaudited financial statements of South Wales Law Centre.

I report on the accounts of South Wales Law Centre for the year ended 31 March 2020 set out on pages 3 to 20.

Respective responsibilities of trustees and independent examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to examine the accounts under section 145 of the 2011 Act; to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

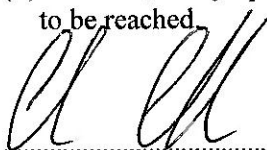
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Steve Ellum
Steve Ellum & Associates
Chartered Accountants
Independent examiner
Adulam House
Glan Yr Afon
Llanelli SA15 3QB

Date: 18th June 2020

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

**Statement of Financial Activities (including income and expenditure account)
For the Year Ended 31 March 2020**

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies	3	20,630	-	20,630	24,493
Charitable activities	5	98,920	149,151	248,071	223,639
Other		2,244	-	2,244	2,252
Total Income		<u>121,794</u>	<u>149,151</u>	<u>270,945</u>	<u>250,384</u>
Expenditure on:					
Raising Funds	6	11,078	-	11,078	10,420
Charitable activities	7	84,040	149,151	233,191	280,860
Total Expenditure		<u>95,118</u>	<u>149,151</u>	<u>244,269</u>	<u>291,280</u>
Net income/(expenditure)					
Net movement in funds		26,676	-	26,676	(40,896)
Reconciliation of Funds					
Total funds brought forward		368,577	-	368,577	409,473
Total funds carried forward		<u>395,253</u>	<u>-</u>	<u>395,253</u>	<u>368,577</u>

The notes on pages 12 to 20 form part of these financial statements.

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

**Balance Sheet
at 31 March 2020**

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	10		322,014		325,701
Total fixed assets			322,014		325,701
Current assets					
Debtors	11	28,482		5,983	
Cash at bank and in hand		139,164		44,191	
		167,646		50,174	
Creditors: Amounts falling due within one year	12	(94,407)		(7,298)	
Net current assets			73,239		42,876
Total assets less current liabilities			395,253		368,577
Net assets			395,253		368,577
Represented by:					
Unrestricted funds	13		395,253		368,577
Restricted funds	14		-		-
			368,577		368,577

For the 12 months ending 31 March 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved and authorised for issue by the trustees on 12th June 2020 and signed on their behalf by:



John Loosemore
Chair of trustees



Paul Francis
Trustee

Company Number: 7550894

Notes to the Accounts for the year ended 31 March 2020

1. Company information

South Wales Law Centre is a company limited by guarantee and registered in England and Wales, registration number 7550894, and a registered charity number 1140949. The registered office is 166 Richmond Road, Cardiff, CF24 3BX.

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

South Wales Law Centre meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Total income has increased to £271k and the trustees continue to pursue strategies to increase the number of grants and donations needed to fund the work, and hence these accounts have been prepared on a Going Concern basis.

The financial statements are prepared in sterling (£), and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income

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

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Income from government and other grants, whether “capital” or “revenue” grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be reliably measured and is not deferred.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

Notes to the Accounts for the year ended 31 March 2020

1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Raising Funds represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity; costs associated with the running of the charity shop and investment management costs.

Charitable activities represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

Support costs are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

1.4 Fund accounting

The charity maintains various types of funds as follows:

General unrestricted funds represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

Restricted funds represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £500 per item. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Land and Buildings	-	Straight Line over 50 years
Fixtures fittings and equipment	-	20% straight line

Provision is made for depreciation on the freehold property but not the related land. The freehold building cost £346,393. The trustees consider that £200,000 of this costs relates to the land and £146,393 relates to the costs of the building and therefore this amount has been depreciated accordingly.

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

1.6 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

2 Net income / (expenditure)

	2020 £	2019 £
The net income / (expenditure) for the year is stated after charging:		
Depreciation and other amounts written off tangible fixed assets:		
Owned assets	3,687	3,687

3 Donations and Legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Regular Donations	11,658	-	11,658	11,605
Ad-Hoc Donations	6,297	-	6,297	9,744
Tax Reclaimed	2,675	-	2,675	3,144
	<u>20,630</u>	<u>-</u>	<u>20,630</u>	<u>24,493</u>

4 Total income

	Total 2020 £	Total 2019 £
Donations and legacies	20,630	24,493
Grants from local authorities and trusts	248,071	223,639
Other income	2,244	2,252
	<u>270,945</u>	<u>250,384</u>

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Local Authority Grants (Cardiff County Council)	70,000	-	70,000	90,000
AB Charitable Trust	20,000	-	20,000	7,500
Sheldon Trust	5,000	-	5,000	17,500
Reaching Justice Wales	3,920	-	3,920	4,000
Legal Educational Foundation	-	78,230	78,230	39,927
Therium Access	-	9,382	9,382	-
LCN Guardian Appeal	-	9,600	9,600	-
Access to Justice Foundation	-	19,346	19,346	-
Lloyds Bank Foundation for England and Wales	-	16,322	16,322	-
Welsh Government Single Advice Fund	-	16,271	16,271	-
British Gas Energy Trust	-	-	-	41,712
Citizens Advice	-	-	-	5,000
Garfield Weston	-	-	-	10,000
Millennium Stadium	-	-	-	2,500
Eleanor Rathbone	-	-	-	3,000
Other Trusts	-	-	-	2,500
	<u>98,920</u>	<u>149,151</u>	<u>248,071</u>	<u>223,639</u>

6 Costs of raising funds

	Unrestricted Total Funds 2020 £	Unrestricted Total Funds 2019 £
Fundraising	<u>11,078</u>	<u>10,420</u>

Costs of raising funds includes employment costs of £9,544 (2018: £9,000).

7 Cost of charitable activities – by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Provision of legal advice	<u>84,040</u>	<u>149,151</u>	<u>233,191</u>	<u>280,860</u>

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

8 Cost of charitable activities – by activity

	Activities undertaken 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Provision of legal advice	200,892	32,299	233,191	280,860

Activities undertaken directly include employment costs of £186,707 (2019: £240,948). Support costs consist of office costs, travel costs and depreciation and include governance costs of £3,120 (2019: £2,960).

9 Staff numbers and cost

Employment costs

	2020 £	2019 £
Wages and salaries	179,858	228,408
Social security costs	11,573	15,828
Pension costs	5,093	4,441
Redundancy costs	7,874	2,016
	<u>204,398</u>	<u>250,693</u>

Number of employees

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

	2020	2019
Provision of legal advice	8.5	11.0
Fundraising	0.5	0.5
	<u>9.0</u>	<u>11.5</u>

No staff member was paid more than £60,000 in the financial year.

No trustee received any remuneration or payment of expenses during the year (2019: none).

The total employment benefits, including employer pension contributions, of the key management personnel of the charity were £39,946 (2019: £39,163).

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

10 Fixed assets - Tangible

	Freehold Property	Fixtures Fittings & Equipment	Total Assets
Cost			
At 1 April 2019	346,393	22,179	368,572
Additions	-	-	-
Disposals	-	-	-
At 31 March 2020	<u>346,393</u>	<u>22,179</u>	<u>368,572</u>
Depreciation			
At 1 April 2019	22,970	19,901	42,871
Charge for the year	2,927	760	3,687
Disposals	-	-	-
At 31 March 2020	<u>25,897</u>	<u>20,661</u>	<u>46,558</u>
Net Book Value			
At 31 March 2020	<u>320,496</u>	<u>1,518</u>	<u>322,014</u>
At 31 March 2019	<u>323,423</u>	<u>2,278</u>	<u>325,701</u>

11 Debtors

	2020 £	2019 £
Trade debtors	-	180
Prepayments and accrued income	27,141	560
Other debtors	1,341	5,243
	<u>28,482</u>	<u>5,983</u>

Other debtors include Gift Aid tax recoverable of £203 (2019: £202).

12 Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	165	165
Other taxes and social security	4,752	4,047
Accruals and deferred income	89,390	2,328
Other creditors	100	758
	<u>94,407</u>	<u>7,298</u>

Included in Accruals is deferred income of £88,160 (2019: £nil) which relates to activities taking place after the year end.

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

13 Unrestricted funds

	Balance at 1 Apr 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2020 £
General funds	368,577	121,794	(95,118)	-	395,253

14 Restricted funds

	Balance at 1 Apr 2019 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Mar 2020 £
Legal Educational Foundation	-	78,230	(78,230)	-	-
Therium Access	-	9,382	(9,382)	-	-
LCN Guardian Fund	-	9,600	(9,600)	-	-
Access to Justice Foundation	-	19,346	(19,346)	-	-
Lloyds Bank Foundation For England and Wales	-	16,322	(16,322)	-	-
Welsh Government Single Advice Fund	-	16,271	(16,271)	-	-
	-	149,151	(149,151)	-	-

The **Legal Education Foundation** grant was to provide a training contract to a Trainee Solicitor under the Justice First Fellowship scheme.

The **Therium Access** grant was to train a solicitor in social welfare law.

The **LCN Guardian Fund** grant was to provide advice to EU nationals affected by the Home Office “Hostile Environment”

The **Access to Justice Foundation** grant was for to pay for management costs for service, development and evaluation.

The **Lloyds Bank Foundation for England and Wales** grant was to provide housing advice.

The **Welsh Government Single Advice Fund** grant was to provide housing and employment law advice.

15 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible assets	322,014	-	322,014	325,701
Cash at bank and in hand	139,164	-	139,164	44,191
Other net current assets/ (liabilities)	(65,925)	-	(65,925)	(1,315)
	395,253	-	395,253	368,577

Notes to the Accounts for the year ended 31 March 2020

16 Taxation

As a charity, South Wales Law Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

17 Related parties

The charity is connected with the following organisations:-

1. The Salt Trust;
2. Hope CIO.

The Salt Trust is related as two of the trustees of the charity served as trustees of the South Wales Law Centre during the financial year. These were Norman Adams and Steve Williams. During the year gifts of £52 (2019: £52) were received from The Salt Trust. There were no outstanding balances at the year end.

Hope CIO is related as three of the trustees served as trustees of the South Wales Law Centre during the financial year. These were Paul Francis, Rachel Treseder and Nkini Pulei. Payments of £2,160 (2019: £2,160) were received from Hope CIO. There were no outstanding balances at the year end.

The total amount of donations received during the year from related parties was £772 (2019: £932).

18 Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

19 Company limited by guarantee

South Wales Law Centre is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

South Wales Law Centre – Annual Report
for the Year to 31 March 2020

Notes to the Accounts for the year ended 31 March 2020

20 Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2019

	Unrestricted funds £	Restricted funds £	Total 2018 £
Income from:			
Donations and legacies	24,493	-	24,493
Charitable activities	134,500	89,139	223,639
Other	2,252	-	2,252
Total Income	<u>161,245</u>	<u>89,139</u>	<u>250,384</u>
Expenditure on:			
Raising Funds	10,420	-	10,420
Charitable activities	185,250	95,610	280,860
Total Expenditure	<u>195,670</u>	<u>95,610</u>	<u>291,280</u>
Net income/(expenditure)			
Net movement in funds	(34,425)	(6,471)	(40,896)
Reconciliation of Funds			
Total funds brought forward	403,002	6,471	409,473
Total funds carried forward	<u>368,577</u>	<u>-</u>	<u>368,577</u>