

Company number: 1408520

Charity Number: 280805

Disability Law Service

Report and financial statements

For the year ended 31 May 202

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Reference and administrative information

For the year ended 31 May 2021

Company number 1408520
Country of incorporation United Kingdom

Charity number 280805
Country of registration England & Wales

Registered office and operational address
The Foundry
17 Oval Way
London
SE11 5RR

Trustees Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up. The total number of such guarantees at 31 May 2021 was 8 (2020 – 8). The Trustees have no beneficial interest in the charitable company.

Rich Watts	Chair (resigned as Chair and trustee September 2020)
Mark Newbery	(Acting Chair from September 2020)
Brenda Parkes	
Vijay Samtani	
Berit Thoresen	
Alexander Woolfson	
John Horan	
Emma Vogelmann	
Edward Richards	(from July 2020)

President Lynne Brook

Principal Staff	David Laurence	Chief Executive
	Eric Appleby	Director of Operations and Fundraising

Patrons
Prof. Luke Clements
Rt. Hon. Sir Ed Davey MP
Andrew Small
The Rt. Hon. Lord Woolf CH

Disability Law Service

Reference and administrative information

For the year ended 31 May 2021

Bankers	Unity Trust Bank plc PO Box 7193 Planetary Road Willenhall WV1 9DG
Independent Examiner	Fleur Holden FCA Sayer Vincent LLP Chartered Accountants 118-114 Golden Lane London EC1Y 0TL

Trustees' annual report

For the year ended 31 May 2021

The Trustees present their report and the financial statements for the year ended 31 May 2021. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities –applicable to charities preparing their accounts in accordance with FRS102.

Board of Trustees and staff

The Board of Trustees comprise 8 members at the year-end, 6 of whom are disabled people and 1 the parent of a disabled person. Trustees are also Directors of the Company. The Board considers that its primary role is to establish and monitor the strategic direction of the charity, ensure financial viability, adhere to the highest standards of governance and actively maintain its commitment to equal opportunities and combating discrimination. The Trustees are committed to maintaining a Board membership that comprises at least 75% disabled people and to ensuring that at least 50% of paid staff, at all levels, are a disabled person. This is in line with the requirements to be a Deaf and Disabled Persons Organisation. The Board is also committed to ensuring that the charity carries out its work in line with the requirements of the Social Model of disability.

The Board meet at least five times each calendar year. Trustees take decisions on all matters concerning governance, major strategic plans and finance planning and monitoring. Day to day operational matters, including staffing, work planning and finance are delegated to paid staff through the Chief Executive.

Trustees are recruited via open advertisement with a view to filling gaps identified in an annual skills audit and maintaining a balanced and diverse group. They are appointed by the Board and receive a full induction programme.

Trustees provide line management and supervision for the Chief Executive, led by the Chair of the Board.

Risk Review and Change Management

The past year for DLS has been, as for every organisation, one like no other because of the pandemic. Nonetheless, we were able to adjust quickly and effectively to remote working thanks to the support of funders such as the London Emergency Response Fund and the Community Justice Fund.

As a result, we have successfully continued to provide information, advice and representation on legal problems for disabled people and their carers. Over the last year we have fielded more than 30,000 calls and provided support for over 3,000 disabled people, with benefits of over £3m accruing to our clients. Two of our trainees, one of whom began with us a volunteer, have qualified as solicitors during the year and we have been able to take on a further trainee (through the Justice First Fellowship) and a new paralegal. We also recruited an additional welfare benefits advisor with funding from the Three Guineas Trust.

Trustees' annual report

For the year ended 31 May 2021

At an organisational level, we have appointed one new disabled member of our Board and are committed to maintaining our status as a Deaf and Disabled People's Organisation (DDPO), with 75% of Trustees and over 50% of staff being disabled people.

The main risk faced by DLS continues to be the potential cashflow problem caused by the delay in receiving payments from the Legal Aid Agency, both through slow processes and the fact that we are unable to claim funding until a case has been closed, which could be a matter of many months or even years. This risk has been mitigated over the last year through the actions some funders who have recognised the issue and assisted to create a more stable financial base

Trustees have continued to review risks on a regular basis and taken steps to mitigate them, both day-to-day and longer-term.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Objectives and Activities

DLS's purpose is to challenge the poverty and inequality of disabled people by working with them to secure equal access to their legal rights and entitlements.

Its current key objectives are:

- To ensure that disabled people have access to high quality, specialist legal services.
- To improve awareness and understanding of the legal rights of disabled people and the range of legal and advice services available to them.
- To challenge discrimination and exclusion by enforcing and strengthening laws that protect the opportunities, choices and legal rights of disabled people.
- To ensure DLS is high performing, well run and well regarded.

In order to achieve these objectives, the charity carried out the following activities.

Legal Access Service

This is a "first port of call" for disabled people seeking specialist legal help, and offers diagnostic advice, legal information, referral to DLS legal advisers and signposting for those whose problems fall outside DLS's areas of legal expertise or capacity.

Specialist Legal Advice

This service gives disabled people access to a solicitor or experienced adviser for free, providing confidential legal advice in the areas of community care, employment (including workplace discrimination) housing and welfare benefits. Each advisor provides telephone advice and responds to email and letter enquiries.

Trustees' annual report

For the year ended 31 May 2021

We are accredited with the SQM quality mark and are also a Centre of Excellence under the London Legal Support Trust programme.

Casework

DLS can support individuals through the whole legal process by preparing the case, negotiating settlements, providing one-to-one consultations and, where capacity allows, full representation in the courts or in tribunals.

Information

DLS produces a range of easy to understand factsheets on legal issues relevant to disabled people, together with template letters for commonly occurring situations. Most can be downloaded from DLS's website which also gives information on the charity, current issues of concern relevant to the legal rights of disabled people and links to relevant sites of interest.

We are working continuously on improving the website in order to make it more accessible to our service users. Our website has seen many more people making use of it and more people contacting DLS as a result. Allied to this, our Facebook page and twitter accounts are also proving to be a rich source of shared information and mutual support between our users. During the year a volunteer, recruited via the Media Trust, has worked on a review and revamp of the website to make it more accessible and user-friendly. This work is in-progress.

In September 2021, after a long period of development, we successfully launched WorkRights, a new digital guided pathway, to increase the ways in which disabled people can access advice.

Volunteers

Volunteers provide a vital role helping DLS meet the demand for its service and the Board is committed to sustaining and developing their involvement in our work. We have a rich source for volunteers through our strong relationships with the University of Law and the LSE (which also provides a modest grant annually to support our work with their students). The charity trains and supports volunteers who assist its legal, administration and communication activities. Many of these are part-qualified law students who are keen to get the sort of experience and supervision that DLS can provide.

We have recruited and trained volunteers to carry out a range of tasks to provide support in all areas of our work. Volunteers have also been invaluable in carrying out research on specific topics and updating our factsheets to ensure that they encapsulate the most recent developments.

Employees from large city law firms Linklaters and Kirkland & Ellis have provided pro bono assistance with clinics focusing on Employment and Community Care cases respectively, while Latham & Watkins have provided invaluable pro bono support in the area of organisational policies.

Trustees' annual report

For the year ended 31 May 2021

DLS would like to thank our volunteers and those at the law firms who have provided assistance for their time, commitment and support to DLS.

Policy and Advocacy

This year DLS has continued its work on analysing the impact of policy relating to disabled people and the law. We aim to focus on areas where our legal expertise can add genuine value, by focussing on legal issues that are not being pursued by other organisations.

Benefits reform: we held a forum for disabled service users in 2020 in order to establish their priorities and gain greater insights into their needs. From this we now advocate for an increase in access to Motability vehicles, an Increase in the length of PIP awards for people with degenerative and incurable conditions and for people to be paid whilst they are waiting for the outcome of their PIP appeal hearings. Recently this work led to us speaking at a meeting of the influential Disability Benefits Consortium (DBC), focussing on Motability, with an article due in their forthcoming newsletter.

Ending discrimination against Autistic Children: As a result of our frontline work we discerned a trend among local authority policies that meant that autistic children were being discriminated against in relation to care needs. This led to us conducting a survey which evidenced a widespread problem. Our campaign has become national with BBC coverage and close involvement of our patrons Sir Ed Davey MP and Professor Luke Clements. We are currently working with a major law firm to correspond with 41 councils in order to get them to change their policies – many have already done so or suspended their unlawful policies pending review.

Ending Charging for Care: we are working on a project, in close association with a local authority, that aims to end charging disabled people for care. The project will actively involve disabled people.

Care for BSL Users: we are at the outset of a campaign to work with organisations representing the interests of Deaf BSL users. The focus is on the rights of BSL users during care assessments and in relation to the care that they receive (rights that are trampled on in practice). Our work started with contact from the wife of a Deaf person and is guided by one of our trustees who is Deaf.

Reasonable Adjustments for carers: we campaign for carers to have the same rights as disabled people to have reasonable adjustments in the workplace. This has included engaging with carers via a survey which found that 72% would work or would work more if they could work flexibly. Our patron Sir Ed Davey has introduced a Private Member's Bill to amend the Equality Act and we have recently met with the Government.

Legal advice and casework in 2020–21

Disabled people have been affected disproportionately by the pandemic and the government responses, whether through the difficulty of getting employers to make reasonable adjustments, access to benefits as a result of benefits assessments being carried out on-line or via phone

Trustees' annual report

For the year ended 31 May 2021

(where supporters and advocates cannot play the same active role) or through the effects of the easements to local authority duties in community care as a result of the Coronavirus Act and this has been evident in the nature of the enquiries that we have received.

Over the year our legal access service received 30,000 calls seeking help for legal advice, information and other help with legal problems; this is an increase on the previous year and reflects not just the increased staffing but also the massive contribution made by our volunteers. Increasingly, however, requests are coming in via email and social media. Many of these will receive simple advice from our trained helpline staff, while over 3,000 cases were passed on to our expert advisors. However, we are not able to assist in every case, where the issues lie outside our remit or because of limited capacity and, wherever possible, these are signposted elsewhere for help.

Our aim is always, wherever possible, to resolve clients' problems without the need for formal legal action so as to help them to access their entitlements before reaching crisis point at what is inevitably a stressful time for them. In employment cases, for example, we seek to keep disabled people in employment rather than necessarily gain financial settlements or compensation via the tribunal system.

Despite this, and the fact that we often do not get to hear the outcome of the advice we give to callers on benefits, we are clear that we have gained benefits to the value of £3m+ over the year. This is, of course, in addition to the immeasurable confidence, support, understanding and peace of mind that clients gain from talking to a knowledgeable and empathetic adviser.

Free specialist legal advice was provided by the DLS legal team in the areas of Community Care, Employment (including workplace discrimination), Housing and Welfare Benefits.

Employment

The Employment Team provides specialist legal advice and casework support to disabled people and in cases where it provides representation has a success rate of 80%, either through suitable adjustments being made to enable employment to continue or through an out-of-court settlement being reached that is satisfactory to the client. In limited cases where settlement is not possible we have represented clients in tribunal hearings.

This work is funded by a grant from Trust for London which has been renewed until September 2023. The ongoing relationship with Trust for London (TfL) is a testament to the importance and value of this work. We have ongoing contact with TfL through its employment law forum

During the course of the year we have provided advice and assistance to over 1,200 disabled employees in relation to their employment problems. They have been able to benefit from a telephone advice session from both our specialist employment solicitor and another solicitor who spends part of his time on employment work. This enables our service users to gain a better understanding about their legal rights in any particular situation they find themselves in at work as

Trustees' annual report

For the year ended 31 May 2021

well as gaining a better understanding of Tribunal processes. Many of these were provided with substantive casework and representation in respect of problems with their employment, enabling them to challenge unfairness and discrimination at work.

A large proportion of matters we deal with are cases arising from employers' duty to make reasonable adjustments for disabled people, an area in which many employers appear to have great reluctance to accept that adjustments are either needed or can be beneficial for all parties. This is especially the case with clients with mental health issues where employers are often ignorant of the issues faced by their employees. We strive to persuade employers to make changes without the need for any litigation, as this will enable our clients to retain their employment.

The number of cases being pursued in the Employment Tribunal has continued to increase following the removal of fees for bringing claims, but the lack of legal aid for them to bring such claims means that many do so without any legal advice or representation. Also the inadequate resources of the Tribunal mean that many claims become prolonged. Our advice enables clients to be clear about what their claims relate to, which in turn is likely to make resolution without the need for a full hearing more likely. Also, in appropriate cases we are able to represent clients to ensure that they are given a proper opportunity to put their claims forward. Although our capacity for such representation is limited, we strive to provide help to as many clients as possible.

Community Care

With the benefit of a Legal Aid contract and increased staffing, our Community Care team were able to offer numerous acts of assistance to 556 disabled people fighting to obtain the support that they need to live. Many of these cases are complex and may take several months to resolve.

With the current social care funding crisis, the need is greater than ever for the work we provide. Disabled adults are increasingly having their care needs unmet through unsuitable accommodation, reduced care packages, lack of respite care and lack of access to the community. While the Care Act 2014 undoubtedly has positives, the position of local authorities as they carry out assessments whilst also having to find the resources to implement the outcomes, means that very many fall short in carrying out not just the spirit and intentions of the Act, but also the formal processes and associated guidance. This concern has deepened as result of the COVID pandemic and the additional stresses placed on local authorities.

It is particularly important to us that we support people who are unable to obtain legal help elsewhere because they do not have the resources to pay for advice and/or are ineligible for legal aid and find commercial firms unwilling to take on their case, either because of lack of capacity or an assessment that it will produce insufficient financial return.

Where possible we support clients to address their difficulties themselves by helping with the drafting of letters or by giving detailed advice as to the steps they need to take to gain access to the care needed. However, many other cases have required firm and timely intervention.

Trustees' annual report

For the year ended 31 May 2021

Housing

Our housing work has continued to grow over the year and we work across a number of areas covered by our legal aid contract. Importantly, we also provide a free helpline which provides advice on areas not covered by legal aid. 400 people have accessed our help over the year. We deal with cases of local authorities refusing to accept individuals as homeless, often claiming that they have made themselves intentionally so, thereby rendering them ineligible for housing assistance. Other cases feature repossession by landlords – who may be private, local authority or a housing association – matters of disrepair or harassment by landlords.

MS Legal Line

The Multiple Sclerosis Society funds the DLS to employ a Legal Officer dedicated to advice and support for people with MS, and their carers, in the areas of law that are most relevant to their lives, namely employment, goods and services discrimination and community care.

The service has been contacted on more than 1200 separate occasions. Callers are offered a full telephone appointment to explore the issues and receive full legal advice, with further support as necessary.

Inevitably, some enquiries received are out of scope of the service, but these still receive a listening ear and signposting to appropriate agencies.

As an additional and important part of the service, the MS Legal Officer is a regular speaker at MS Society events, provides case studies and feedback to the MS Society, for use by their policy team, assists in training their helpline staff and is also available to the Society to answer legal questions, particularly for their publications and grants team.

MS Benefits Line

The Multiple Sclerosis Society also funds a welfare benefits advisor dedicated to supporting those with MS. This has been a much-used service with a total of 1100 acts of assistance over the financial year. Such is the demand that the MS Society has now contracted DLS to deploy a second advisor, with that post due to come on stream in October 2021.

Welfare Benefits

It is no surprise that our Welfare Benefits Advice service has experienced overwhelming demand and has advised over 2000 callers thanks to the efforts of our staff and volunteers. It is evident that the need for advice has never been higher, with more people claiming benefits for the first time and trying to navigate their way through a complex and unfriendly system. People continue to need support and representation, which is vital at the mandatory reconsideration stage when tribunals and the stress that accompanies them can be avoided – as can the fact that failure at mandatory reconsideration can lead to a fall in income for 9–12 months while there is a wait for the appeal hearing.

Trustees' annual report

For the year ended 31 May 2021

Thanks to the understanding and commitment of the Three Guineas Trust, we were able to obtain the funding to appoint a second Benefits Advisor, meaning that we were able to respond to many more requests for help whilst also increasing our capacity to take on more detailed casework. Unfortunately, as a result of the Covid-19 pandemic, we have not been able to offer our outreach sessions in other settings, although the outreach hosts continue to make referrals.

We have also continued to benefit from the invaluable assistance of a number of trained and knowledgeable volunteers throughout the year.

The additional funding received from Three Guineas Trust has also enabled the provision of a package of training for partner charities' staff and volunteers. This has proved successful and greatly appreciated by the recipient organisations. Three core half-day packages on Universal Credit (UC), Personal Independence Payment (PIP) and Disability Living Allowance and Attendance Allowance (DLA/AA) were developed and delivered on 28 occasions through the year to a range of other disability organisations.

Financial Review

Income in 2020-21 increased from £572,449 to £623,871 with an overall surplus of £30,175 of which £24,280 was unrestricted, adding to our free reserves. This is an important addition as, although our unrestricted reserves stand at £229,857, representing 5 months' expenditure in line with our Reserves Policy, these include £84,718 of Work in Progress, meaning that reserves free for immediate use are effectively £138,347 or just over three months' expenditure.

A reasonable level of reserves is important in that there remains a considerable time lag in receiving payment for work carried out under our Legal Aid contracts, with claims on Legal help cases only able to be made once the file has been finally closed. We continue to ensure that our billing procedures are such that claims are submitted as quickly and efficiently as possible.

We were greatly helped to respond to the ravages of the pandemic by funding totalling £100,000 from the Community Justice Foundation. We have built on our partnership with the MS Society and are introducing a second specialist MS Benefits Advisor post under our agreement with the Society. We continue to benefit from generous corporate sponsorship from Linklaters law firm, who also support us in other ways with in-kind donations, as do Herbert Smith Freehills and Latham & Watkins. In addition, we have received both regular and one-off donations from individual supporters.

Looking ahead, we have two more years of the Legal Aid contracts and of our Trust for London grant for employment advice, together with four more years of a tapering five year grant from the City Bridge Trust to support the London element of our work. At the start of 20/21 we were fortunate to receive new three-year core grants from each of the Henry Smith Charity (£30,000) and AB Charitable Trust (£15,000) and a four year commitment of £50,000 pa from the Esmée Fairbairn Foundation.

Trustees' annual report

For the year ended 31 May 2021

DLS is currently in a healthy position, with the resources in place to carry out our plans for 2021/2 and beyond, but we will continue to review and develop different routes for fundraising in the coming year in order to increase our unrestricted income and provide the flexibility that is essential to a healthy and responsive organisation.

Reserves policy

The Trustees aim to hold a minimum of three months operating costs in unrestricted reserves and has set a target of 4 – 6 months. At the end of 2020–21 unrestricted reserves stand at £229,857 representing 5 months' expenditure. However, a significant proportion of these are in the form of Work in Progress, meaning that the funds are not available for use and are therefore shown as a designated fund. The Board reviews its reserves policy annually to ensure there is a realistic and practical reserve to protect against the immediate impact of possible reductions in funding.

Structure, governance and management

Legal framework

The organisation is a charitable company limited by guarantee, incorporated on 11 January 1979 as Network for the Handicapped Limited, and registered as a charity on 27 October 1980. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. The organisation changed its name to "Disability Law Service" on 30 June 1998.

Disability Law Service (DLS) provides independent, free and confidential legal advice, representation, information, training and consultancy. Its beneficiaries are disabled adults and children, their carers and families. Over the last 45 years DLS has grown steadily from a parent support group to a highly respected organisation providing a much-needed range of professional services. DLS's Patrons are Professor Luke Clements, Rt. Hon. Sir Ed Davey MP, paralympian Andrew Small and the Right Honourable Lord Woolf of Barnes

Principal Risks and Uncertainties

The Trustees have assessed the principal risks and uncertainties to which the organisation is exposed, in particular those relating to the key operational areas of the charity and its finances in line with Charity Commission guidance.

Principal risks continue to be those associated with the impact of the pandemic upon staff, both on the morale of existing staff as a result of isolation when working remotely and, in particular, on mutual learning and quality control for new and junior team members as a result of remote working. However, measures taken over the last year, including additional online meetings, training, supervision and social events have been seen to be effective in addressing this risk.

A further risk relates to the considerable delays in receiving payment for work carried out under Legal Aid contracts, notably legal help cases, with the consequent effect on cashflow. This risk is mitigated by the building of sufficient reserves in order to be able to cope with these delays.

Trustees' annual report

For the year ended 31 May 2021

Whilst Trustees believe exposure to risk is unavoidable, they believe that by ensuring controls over key financial systems, monitoring reserve levels and thoroughly examining on a regular basis the operational and business risks faced by the charity, they have established effective systems to mitigate any risks.

Information on fundraising practices

Disability Law Service's fundraising strategy is to focus on trusts, foundations and partnerships with other disability organisations. There have been no fundraising events or fundraising campaigns around individual giving or community fundraising. In previous years we have raised funds through sponsorship linked to the London Marathon and the London Legal Walk. But these events have not taken place due to the pandemic. There were no relationships with professional fundraisers or commercial participators during the year nor any complaints related to fundraising. DLS is aware of the need for particular care to be taken when seeking funds from potentially vulnerable donors and does not seek donations from its clients.

Remuneration Policy

Remuneration of all staff, including key management personnel, is reviewed annually by the Board of Trustees, taking into account current market rates and affordability

Plans for the future

DLS is uniquely positioned to provide legal services that protect the rights of, and empower, disabled people. Furthermore, we are conscious of the growing levels of unmet need within the system, placing an ever-greater onus on DLS to maintain and expand our offer.

Our rolling Three Year Plan includes a determination to continue to build our Legal Aid practice and revenue in order to help more disabled people, but also to support those who contact our Adviceline who are not eligible for legal aid. We will continue to seek responsible and sustainable expansion of the services that we provide and to increase our capacity to look at different modes of delivery to ensure that we are as accessible to a wide range of disabled people as our resources will effectively allow. We will also seek to build on the use of our expertise and front-line experience to influence policy and support others who are seeking to improve disabled people's access to their rights.

Statement of the Trustees' responsibilities

The Trustees (who are also Directors of Disability Law Service for the purposes of company law) are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable

Trustees' annual report

For the year ended 31 May 2021

company for that year. 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 judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Independent Examiner

Fleur Holden of Sayer Vincent LLP was reappointed as the charitable company's independent examiner during the year and has expressed her willingness to continue in that capacity.

Approved by the Trustees on 7 December 2021 and signed on their behalf by

Mark Newbery
Chair

Independent examiner's report

To the members of

Disability Law Service

I report to the trustees on my examination of the accounts of Disability Law Service for the year ended year ended 31 May 2021.

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

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity 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 the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I 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

Independent examiner's report

To the members of

Disability Law Service

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.

Name: Fleur Holden FCA

The Institute of Chartered Accountants in England and Wales

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 19 January 2022

Disability Law Service

Statement of Financial Activities *(incorporating an income and expenditure account)*

For the year ended 31 May 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations	3	46,250	164,842	211,092	201,561
Charitable activities					
Legal advice and casework	4	169,632	236,011	405,643	369,476
Sundry income		–	7,136	7,136	1,412
Total income		215,882	407,989	623,871	572,449
Expenditure on:					
Raising funds		–	17,087	17,087	14,409
<i>Charitable activities</i>					
Legal advice and casework		207,787	368,822	576,609	538,115
Total expenditure	5	207,787	385,909	593,696	552,524
Net income for the year		8,095	22,080	30,175	19,925
Transfers between funds		(2,200)	2,200	–	–
Net income for the year and net movement on funds	6	5,895	24,280	30,175	19,925
Reconciliation of funds:					
Total funds brought forward		37,461	205,577	243,038	223,112
Total funds carried forward		43,356	229,857	273,213	243,037

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

Disability Law Service

Balance sheet

Company no. 1408520

As at 31 May 2021

	Note	£	2021 £	2020 £
Tangible fixed assets	9		6,795	6,870
Current assets				
Debtors	10	26,000		86,000
Work in progress		84,718		91,600
Cash at bank and in hand		220,558		85,187
		331,276		262,787
Creditors: Amounts falling due within one year	11	64,858		26,619
Net current assets			266,418	236,168
Net assets	12		273,213	243,038
Funds				
Restricted funds			43,356	37,461
Unrestricted funds				
Capital fund			6,794	6,870
WIP fund			84,718	–
General funds			138,345	198,707
Total funds	13		273,213	243,038

Audit exemption statement

For the financial year ended 31 May 2021, the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The Trustees acknowledge their responsibilities for:

- Confirming that the members have not required the charitable company to obtain an audit in accordance with section 476; and
- Complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The Trustees confirm that these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Trustees on 7 December 2021 and signed on their behalf by

Mark Newbery
Chair

Disability Law Service

Statement of cash flows

For the year ended 31 May 2021

	2021 £	2020 £
Reconciliation of net movement in funds to Net cash flow from operating activities		
Net movement in funds	30,175	19,925
Loss on disposal of fixed assets	(1)	–
Depreciation charges	6,352	5,381
Decrease / (increase) in debtors	60,000	(61,000)
Decrease / (increase) in work in progress	6,882	(56,422)
Increase / (decrease) in creditors	38,239	(10,692)
Net cash provided by/(used in) operating activities	141,647	(102,808)
Cash flows from operating activities	141,647	(102,808)
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,276)	(2,438)
Net cash used in investing activities	(6,276)	(2,438)
Change in cash and cash equivalents in the year		
Cash and cash equivalents at the beginning of the year	85,187	190,433
Cash and cash equivalents at the end of the year	220,558	85,187

1 Accounting policies

a) Statutory information

Disability Law Service is a charitable company limited by guarantee and is incorporated in England & Wales.

The registered office address and principal place of business is The Foundry, 17 Oval Way, London SE11 5RR.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Interest receivable

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 by the bank.

f) Voluntary income

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Unsolicited donations and gifts are included as donations and similar incoming resources. All income received from the London Marathon sponsorship is credited to voluntary income.

g) Revenue grants

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred. All revenue grants relate to legal advice and casework.

h) Contractual income

Contractual income is recognised when earned.

i) Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

j) Designated funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The designated fund for WIP shows that these funds are not liquid.

1 Accounting policies (continued)

k) Unrestricted funds

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

l) Staff costs

Staff costs are allocated to activities on the basis of the estimated staff time spent on those activities:

▪ Fundraising and publicity	2.5%
▪ Legal advice and casework	97.5%

m) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT which cannot be recovered. Where non-staff costs cannot be directly attributed to particular headings they have been allocated to activities on the following basis, which is based on the estimate of consumption:

	Fundraising & publicity	Legal advice & casework	Governance
Telephone, premises, printing, postage, stationery	2.5%	94.5%	3.0%
Other costs	0%	100%	0%

n) Governance costs

Governance costs relate to the costs of running the charitable company such as the costs of Trustee meetings, independent examination and statutory compliance.

o) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its expected useful life. The depreciation rates in use are as follows:

- Fixtures, fittings and office equipment
- Computer equipment
- Website costs

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. The minimum capitalisation limit is £100.

p) WIP

Income is recognised on casework earned and due ("work in progress" or "WIP") according to the time booked on the matter multiplied by the relevant legal aid or interpreters rate. Appropriate provision is made for irrecoverable WIP.

q) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

s) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

1 Accounting policies (continued)

t) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

u) Pension scheme

The charitable company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charitable company in independently administered funds. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Detailed comparatives for the statement of financial activities for 2019/20 (restated)

	(restated) 2020 Restricted £	(restated) 2020 Unrestricted £	2020 Total £
Income from:			
Donations	–	201,561	201,561
Charitable activities			
Legal advice and casework	130,000	239,476	369,476
Sundry income	–	1,412	1,412
Total income	130,000	442,449	572,449
Expenditure on:			
Raising funds	–	14,409	14,409
<i>Charitable activities</i>			
Legal advice and casework	188,270	349,845	538,115
Total expenditure	188,270	364,254	552,524
Transfers between funds	–	–	–
Net income/(expenditure for the year and net movement on funds)	(58,270)	78,195	19,925
Reconciliation of funds:			
Total funds brought forward	95,731	127,381	223,112
Total funds carried forward	37,461	205,576	243,037

3a Donations – current year

	2021 Restricted £	2021 Unrestricted £	2021 Total £
Donations from individuals	–	8,392	8,392
Esmée Fairbairn Foundation	–	50,000	50,000
Henry Smith Charity	–	30,000	30,000
Sobell Foundation	–	2,500	2,500
Linklaters	–	40,000	40,000
AB Charitable Trust	–	15,000	15,000
London School of Economics	–	3,000	3,000
Access to Justice Foundation	25,000	5,200	30,200
The Grace Trust	–	750	750
City Bridge Trust	21,250	–	21,250
London Legal Support Trust	–	10,000	10,000
Total	46,250	164,842	211,092

3b Donations – prior year (restated)

	(restated) 2020 Restricted £	(restated) 2020 Unrestricted £	2020 Total £
Donations from individuals	–	8,714	8,714
Henry Smith Charity	–	30,000	30,000
Sobell Foundation	–	2,500	2,500
Linklaters	–	40,000	40,000
Access to Justice Foundation	–	75,000	75,000
City Bridge Trust	15,000	–	15,000
London Legal Support Trust	–	14,847	14,847
Souter Foundation	–	2,000	2,000
Lynn Foundation	–	500	500
Kirkland & Ellis	–	5,000	5,000
Shanley Foundation	–	2,000	2,000
Persula Foundation	–	6,000	6,000
Total	15,000	186,561	201,561

4a Legal advice and casework

	Restricted £	Unrestricted £	2021 Total £
<i>Grant and contract income:</i>			
Trust for London	52,000	–	52,000
MS Society	–	122,000	122,000
Three Guineas Trust	92,000	–	92,000
LEF – Justice First Fellowship	25,632	–	25,632
<i>Other Income:</i>			
Legal Help and Legal Aid	–	114,011	114,011
	169,632	236,011	405,643

4b Legal advice and casework – prior year (restated)

	(restated) Restricted £	(restated) Unrestricted £	2020 Total £
<i>Grant and contract income:</i>			
Trust for London	50,000	–	50,000
MS Society	–	122,000	122,000
Three Guineas Trust	80,000	–	80,000
LEF – Justice First Fellowship	–	–	–
<i>Other Income:</i>			
Legal Help and Legal Aid	–	117,476	117,476
	<u>130,000</u>	<u>239,476</u>	<u>369,476</u>

Notes to the financial statements

For the year ended 31 May 2021

5a Total expenditure (current year)

	Fundraising & publicity £	Legal advice & casework £	2021 £	2020 £
Staff costs (Note 7)	11,946	465,885	477,831	395,885
Legal aid, legal help and other disbursements	–	5,790	5,790	1,561
Subscriptions	–	13,332	13,332	8,260
Depreciation	–	6,352	6,352	5,381
Professional indemnity insurance	–	5,250	5,250	4,406
Consultancy and HR expenses	–	13,670	13,670	65,105
Travelling expenses	–	2,825	2,825	10,833
Telephone	123	4,648	4,771	5,336
Premises costs	825	31,181	32,006	36,974
Printing, postage and stationery	232	8,772	9,004	9,367
Recruitment and training	–	9,763	9,763	–
Other costs	–	3,926	3,926	1,221
Fundraising costs	3,806	–	3,806	3,046
Governance costs:				
Independent examination	81	2,744	2,825	3,550
Other governance costs	74	2,471	2,545	1,599
Total expenditure	17,087	576,609	593,696	552,524

Notes to the financial statements

For the year ended 31 May 2021

5b Total expenditure (prior year)

	Fundraising & publicity £	Legal advice & casework £	2020 £	2019 £
Staff costs (Note 7)	9,897	385,988	395,885	320,181
Legal aid, legal help and other disbursements	–	1,561	1,561	2,905
Subscriptions	–	8,260	8,260	8,597
Depreciation	–	5,381	5,381	6,124
Professional indemnity insurance	–	4,406	4,406	5,287
Consultancy and HR expenses	–	65,105	65,105	47,161
Travelling expenses	–	10,833	10,833	7,135
Telephone	138	5,198	5,336	4,435
Premises costs	953	36,021	36,974	37,266
Printing, postage and stationery	241	9,126	9,367	6,381
Recruitment and training	–	–	–	12,477
Other costs	–	1,221	1,221	2,816
Fundraising costs	3,046	–	3,046	5,918
Governance costs:				
Independent examination	93	3,457	3,550	3,120
Other governance costs	41	1,558	1,599	1,488
Total expenditure	14,409	538,115	552,524	471,291

Notes to the financial statements

For the year ended 31 May 2021

6 Net incoming / (expenditure)

This is stated after charging:

	2021 £	2020 £
Depreciation	6,352	5,381
Trustees' remuneration	–	–
Trustees' expenses	–	–
Independent examiner's remuneration	2,885	2,825
	<u>2,885</u>	<u>2,825</u>

7 Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	426,527	353,087
Social security costs	38,011	33,010
Pension costs	13,293	9,788
	<u>477,831</u>	<u>395,885</u>

No employee earned more than £60,000 (excluding employer pension and national insurance costs) during the year.

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

	2021 No.	2020 No.
Legal advice and casework	13	11
	<u>13</u>	<u>11</u>

Key management personnel are considered to be the Trustees of the charity, who receive no remuneration, together with the CEO. Total remuneration, including employer's national insurance contributions and employer's pension costs for the CEO (which is also the total remuneration for the key management personnel) during the year amounted to £56,212 (2020: 38,548).

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Office equipment, fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 June 2020	4,713	16,898	21,611
Additions in year	–	6,276	6,276
At 31 May 2021	4,713	23,174	27,887
Depreciation			
At 1 June 2020	1,753	12,988	14,741
Charge for the year	424	5,928	6,352
At 31 May 2021	2,177	18,916	21,093
Net book value at 31 May 2021	2,537	4,258	6,795
Net book value at 31 May 2020	2,960	3,910	6,871

All tangible fixed assets are used for direct charitable purposes.

10 Debtors

	2021 £	2020 £
Trade debtors	–	11,000
Accrued income	26,000	75,000
	26,000	86,000

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation and social security	11,399	9,377
VAT	17,032	–
Accruals	21,441	11,659
Other creditors	14,986	5,583
	64,858	26,619

12a Analysis of net assets between funds (current year)

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	–	6,794	–	6,794
Current assets	43,356	84,718	138,345	266,419
Net assets at 31 May 2020	43,356	91,512	138,345	273,213

12b Analysis of net assets between funds (prior year)

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	–	6,870	–	6,870
Current assets	37,461	–	198,707	236,168
Net assets at 31 May 2020	37,461	6,870	198,707	243,038

13a Movements in funds (current year)

	At 1 June 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 May 2021 £
Restricted funds:					
Access to Justice		25,000	(25,000)	–	–
Trust for London	1,573	52,000	(53,325)	–	248
Legal Education Foundation	35,888	–	(5,864)	–	30,024
Legal Education Foundation JFF	–	25,632	(10,348)	(2,200)	13,084
City Bridge Trust	–	21,250	(21,250)	–	–
Three Guineas Trust	–	92,000	(92,000)	–	–
Total restricted funds	37,461	215,882	(207,787)	(2,200)	43,356
Unrestricted funds:					
Designated capital	6,870	–	(6,352)	6,276	6,794
Designated WIP	–	–	–	84,718	84,718
General funds	198,707	407,989	(379,557)	(88,794)	138,345
Total unrestricted funds	205,577	407,989	(385,909)	2,200	229,857
Total funds	243,038	623,871	(593,696)		273,213

13b Movements in funds (prior year restated)

	At 1 June 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 May 2020 £
Restricted funds:					
Trust for London	3,637	50,000	(52,064)	–	1,573
Legal Education Foundation	92,094	–	(56,206)	–	35,888
City Bridge Trust	–	15,000	(15,000)	–	–
Three Guineas Trust	–	80,000	(80,000)	–	–
Total restricted funds	95,731	145,000	(203,270)	–	37,461
Unrestricted funds:					
Designated capital	9,813	–	(5,381)	2,438	6,870
General funds	117,569	442,449	(358,873)	(2,603)	198,707
Total unrestricted funds	127,382	442,449	(364,254)	–	205,577
Total funds	223,113	572,449	(552,524)	–	243,038

Purposes of restricted funds

Access to Justice

This grant is to support all aspects of DLS work with the proviso that they are used for eligible expenditure as defined by the grant conditions.

Trust for London

The grant is to improve access to legal advice for disabled Londoners to combat discrimination in employment.

Legal Education Foundation

This grant is to develop an online reasonable adjustments guided pathway advice platform.

Legal Education Foundation JFE

This grant, under the Justice First Fellowship scheme is to enable DLS to employ a trainee solicitor for 2 years.

City Bridge Trust

This grant is to support the 30% of DLS core costs that relate to work with clients in London

Three Guineas Trust

This grant is to provide a welfare benefits advice service including outreach.

Purposes of designated funds

Capital Fund

This fund represents the future depreciation of unrestricted tangible fixed assets held at the year end.

WIP Fund

This fund represents the value of WIP at year-end.

Transfers

Transfers from restricted funds are to account for assets procured from these funds.

Notes to the financial statements

For the year ended 31 May 2021

14 Operating lease commitments

The charitable company had commitments under operating leases expiring as follows:

	Property 2021 £	2020 £
Under 1 year	<u>8,205</u>	<u>–</u>

15 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

16 Prior year restatement

The charity has reviewed the classification of certain funds and restated the prior years, these being MS Society £122,000 – restricted in prior year accounts but reclassified as unrestricted; City Bridge Trust £15,000 – unrestricted in prior year accounts but reclassified as restricted. There is no impact on overall movement in funds in the prior year or on fund balances carried forward as both grants were fully spent in the year.