

REGISTERED COMPANY NUMBER: 05018587 (England and Wales)
REGISTERED CHARITY NUMBER: 1102433

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
SOUTH WEST LONDON LAW CENTRES**

SOUTH WEST LONDON LAW CENTRES
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 16
Report of the Independent Auditors	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Cash Flow Statement	23
Notes to the Financial Statements	24 to 36

SOUTH WEST LONDON LAW CENTRES
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES	Allan Blake Clara Clint (resigned 1.12.22) Ranil De Silva (resigned 11.2.22) Marion Edge Claire Gilbert (resigned 1.12.22) John Linwood Sarmad Qureshi Simon Tinkler Sarah Towler Nimmisha Aslam (appointed 1.12.22) Sarah Bergstrom (appointed 1.12.22) Susan Field (appointed 1.12.22) Bernd Halschka (appointed 1.12.22) Keith Boak (appointed 1.12.22)
COMPANY SECRETARIES	Clara Clint (resigned 1.12.22) Stacey Edgar (appointed 1.12.22)
REGISTERED OFFICE	5th Floor Davis House Robert Street Croydon CR0 1QQ
REGISTERED COMPANY NUMBER	05018587 (England and Wales)
REGISTERED CHARITY NUMBER	1102433
AUDITORS	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
CHIEF EXECUTIVE	Patrick Marples
BANKERS	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Purposes and aims

The objects of the Charity are: the relief of poverty, suffering and distress by the provision of legal advice, assistance and representation, and the advancement of education for those resident, working or in full time education in South West London, including the London boroughs of Croydon, Kingston upon Thames, Merton, Richmond upon Thames, Sutton and Wandsworth and, in exceptional circumstances, residents from other areas; and the promotion of other such purposes which are exclusively charitable according to the law of England and Wales as the Trustees may from time to time determine.

The main activities undertaken in relation to those purposes are:

- Activity 1 - Delivery of professional services in casework and representation in various areas of social welfare law.
- Activity 2 - Delivery of the housing court duty solicitor scheme in housing cases in Croydon, Wandsworth and Kingston County Courts.
- Activity 3 - Pro Bono Legal Advice Clinic service.

Public benefit

The Trustees referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing the law centre's aims and objectives and in planning and reviewing all our activities. South West London Law Centres (SWLLC) is a community based, legal practice working to relieve poverty, suffering and distress for the most disadvantaged and vulnerable members of our communities, in need of help at difficult times in their lives to resolve legal problems. We broadly help those who cannot afford a lawyer to access social welfare law. Public benefit is delivered by the provision of free legal advice or affordable charges for services and representation at court in social welfare law. The professional services and the housing court duty scheme are funded by legal aid, by grants, and donors, which operates from four branches in, Battersea, Croydon, Merton, and Kingston. We continue to charge for some services in employment and immigration where funding through legal aid is no longer available. Our Pro Bono legal advice clinics are free and staffed by volunteer advisors. By these means, the Charity aims to improve access to justice to vulnerable members of the community in South West London.

Moving from Covid to the Cost of Living Crisis

There were many highlights in 2021/22 framed by the continuation of the journey back from the pandemic and the emerging and growing cost of living crisis. We were able to assist an additional 862 individuals and families compared to the previous year bringing the total number helped in 2021/22 to 6,664.

Although some Covid-19 restrictions continued, all our offices remained open subject to the various guidance. Most appointments were booked rather than drop in and many were carried out remotely. Staff continue to adapt the way we deliver our services.

The work of the courts, decision makers and statutory authorities all affected our capacity to take on additional work due to their slowness in reaching decisions and dealing with cases. This affected the rate at which we could bill and close cases. We continued to receive some covid funding, albeit a lower amount than in the previous year. This support continued to be invaluable as our legal income remained restricted. During the year we were able to pilot a number of projects which enabled us to reach out to a wider audience and focus on the emerging cost of living crisis. This put us in a better position to be able to bid for larger projects post year end.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

OBJECTIVES AND ACTIVITIES

Volunteers

The use of volunteers has been, for a long time, at the heart of our law centre operations. SWLLC runs one of the largest Pro Bono Legal Advice Clinic services in the UK through a team of around 400 volunteer lawyers. This service aims to empower clients by encouraging them to take better steps to resolve problems themselves, with some limited follow-up by advisers' e.g. drafting documents or writing letters on clients' behalf.

We continued to operate our pro bono programme remotely through booked appointments that are held over the telephone or through video conferencing. Through a survey of both our service users and volunteers we have had positive feedback on the way the service operates but recognise that the service may not be meeting the needs of everyone in our community and consequently there is a need to widen its scope. To this end we have approached a number of supporters for assistance to adapt and streamline the remote pro bono clinic services to make them easier to use. Our longer-term aim is to move to a system of more flexible advice times and to develop specialisms to carry out some casework. We also want to bring back an element of a face-to-face pro bono clinic service.

Volunteers have normally helped us in every aspect of our work: from supporting reception during the daytime and in the evening with administrative tasks, to working as casework assistants to support our casework teams. The work includes undertaking legal research, assisting with creating bundles of documents, note taking and drafting letters. During the pandemic we were not able to accommodate volunteers in these supporting roles. As our offices have reopened, we are starting to rebuild our base of volunteers and are looking more systematically at the roles we need to fill. We have successfully piloted a number of internships in the immigration team and want to expand this program. Typically, our volunteers have been those seeking new skills/experience to get back into the job market or students wishing to further their legal careers. On average daytime volunteers stay with the law centre between 3 - 6 months.

"Speaking to clients from a range of different backgrounds has developed my communication skills and also shaped my emotional intelligence, teaching me to be empathetic and patient. I have learned to listen and understand information quickly and accurately and deliver any necessary information clearly, while making sure the clients feel comfortable." Zafirah, volunteer legal administrator.

We estimate the value of daytime volunteering to be £37,240. An estimate of the value of pro bono work provided by evening volunteers is more than £1.5 million. This is calculated on the basis that each client (including follow up work and supervision time) can on average take a combined total of 3 hours of volunteer time at £164 per hour. This is a high street rate and is higher than the legal rates that the law centre staff recover for professional services in casework and representation in various areas of social welfare law.

"Pro bono advice makes a huge difference to people. Often, this is their last chance to obtain legal advice on their matter which could affect them for the rest of their lives." Sital, pro bono lawyer

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance

In 2021/22, we assisted 6,664 clients (5,802 in 2020/21) with direct services. In addition the hits on our website continued to grow.

Inputs	Activities	Outputs
<p>Housing Team:Six solicitors, including one who undertakes community care and welfare rights cases plus a trainee (who qualified in the year) and two paralegals attached to the team</p> <p>Debt Team;Five caseworkers;</p> <p>Immigration Team: Six (three solicitors and three OISC registered caseworkers) including one who undertakes public law</p> <p>Employment Team:Two caseworkers</p> <p>In addition 2 crisis navigators supported the work of the housing and debt teams and a new Community Engagement Manager helped promote the law centre work</p>	<p>Activity 1 - Provision of cases and representation in social welfare law covering the areas of community care, debt, discrimination employment, housing, immigration, asylum, public law and welfare rights</p>	<p>2,212 cases (1670 2020/21) We carried forward 446 cases at the start of the year.</p>
<p>Housing Team above</p>	<p>Activity 2 - Housing Possession Court Duty Scheme</p>	<p>806 cases (222 2020/21)</p>
<p>Client Services Manager, daytime and evening reception staff, and pro bono lawyers</p>	<p>Activity 3 - Pro Bono Legal Advice Clinic service delivered remotely since March 2020</p>	<p>3,200 clients seen (3,283 (2020/21).</p>

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Activity 1

Outcomes - full specialist casework service in a broad range of social welfare law in the areas of community care, debt, discrimination, employment, housing, immigration and asylum, public law and welfare rights - collectively referred to as 'Social welfare law'. Our legal work has a broad range of outcomes

Impact Report

There are a range of impacts from our casework as illustrated in the examples below.

1. Community Care

We help people get the appropriate community care assessment and services that they are entitled to. Casework enables people with mental illness, learning disabilities or other care needs to get the support they are entitled to. This also helps to reduce isolation for these often very lonely individuals struggling to cope alone in the community.

2. Debt

We help people with a strategy for dealing with debts as early as possible in the process as well as challenging unenforceable debts. Work is focussed on reducing debt and finding affordable and manageable debt solutions. We work with individuals and families to calculate an affordable budget, so that they can get back on track. We also help people to apply for grants from a variety of sources to support their everyday needs.

Our debt team, which is funded through Debt Free London, supported 1,745 people last year. As a result of the pandemic, the number of people needing debt advice has increased significantly. We saw an additional 345 people as the cost of living crisis started to grow.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Through our funder the team has a Trustpilot score of 4.7 out of 5 from feedback from our clients.

"Best free professional help around. I really valued the professional help and assistance I received from SWLLC. My situation was complex and there were levels to my issues but this did not deter [the adviser]. In the end all matters were satisfactorily resolved and I am so grateful. I would definitely recommend the services of SWLLC to anyone who needs legal help." August 2021, 5 Stars

Debt Case Study: Joanna's Story

'I'd been addicted to drugs and alcohol for four years before I got support. By then I'd been dismissed from my job on health grounds due to my depression and anxiety. I'm a single parent but I wasn't claiming any benefits so there was no money coming in. I started claiming the next year but I wasn't in the right head space to deal with things so my debts started to pile up.

'The minute I made the phone call and spoke to Eva, she was so helpful. She did a breakdown of all my payments - there were some loans I couldn't even remember taking out. I found it stressful but I did it with her help. We went from there and she explained everything step by step. Because she broke it all down for me, I could understand the plan ahead.

'Her help changed my life completely. I had a massive weight on my shoulders because of my debts, and I was always worried about debt collectors turning up, but I don't have to worry any more. My debts have been written off.

'I still suffer from depression but I have never gone back to addiction. I used to use substances as a way of coping but because I don't have to worry about my debts any more, my mood is much better. My son has really noticed the difference too so by helping me, he was helped as well. I felt like I was drowning before I got the support from you. Things are so much better now.'

Joanna is a single mother with a teenage son. She suffers from mental health issues and turned to drugs and alcohol as a way of coping. She lost her job and ended up with a lot of debts, both priority and non-priority. Our money advice caseworkers have been helping her with getting her debts written off so she can get her life back on track. Over £23,600 in non-priority debts has been written off.

We were delighted that our Debt Team was named Debt Free London's Debt Team of the Year at their inaugural awards ceremony in December 2021.

3. Crisis Navigation

We support people to maximise their income; claim the right benefits and get further assistance such as claim grants for individuals in need. We continued to develop our crisis navigation service in 2021/22 and the project was externally evaluated. Our crisis navigators support the work of the whole organisation by:

- a. Being the consistent point of contact for those accessing multiple services;
- b. Securing additional funds for the client to enable them to stabilise their short term crisis;
- c. Ensuring that our specialist caseworkers' time is spent providing expert advice and representation; and
- d. Acting as case manager to ensure all internal and relevant external services are working together and that the client understands how they all fit together to resolve their issues.

Jasmine's story shows the work of the crisis navigator alongside the debt team:

'I was working throughout the pandemic, but when the pandemic lifted I went down in a spiral and got into deep depression. It was so bad I couldn't go to work, and I also had really bad back pain. I got behind on my rent and was sent a letter about rent arrears and then I received an eviction order. I think I was close to having a breakdown and I had suicidal thoughts. I was on universal credit so I only had a low income and I wasn't getting any help.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

'Things really picked up when I went to the Law Centre. I got a grant to help with my rent arrears and outstanding debts. Shanice helped me get a reduction on my council tax and helped me fill out the PIP form too. It's not easy but I got through it with her support. There was also help with my heating bills and shopping for my food.

'Eunice picked up on the debt side of things and helped me deal with my outstanding debts. She got in contact with my credit card company to put a freezing motion in place. Eventually we reached an agreement with them and they agreed to write off the debt.

'When I heard they'd written off the debt, it was like a weight had been lifted from my shoulders. I had literally been at rock bottom but this makes life a lot easier. It's put me in a much more positive place. I'm making sure I manage my payments better, check my spending and manage my income. If it wasn't for the Law Centre I wouldn't be in the situation I'm in today.

4. Employment

We help people on a wide range of issues including; dismissal, suspension, discrimination, unpaid wages and failure to pay the minimum wage; notice or redundancy pay, holiday pay, breach of contract, grievances, appeals; and settlement agreements. Since January 2021, we also specialised in discrimination cases. Through this work we help people to remain in their jobs and where appropriate to get redress for bad employment practice.

This work is funded through grant funding, legal aid and various methods of affordable charging. We now have two caseworkers. This year we took on 41 new cases and increased our reach through using volunteers to support our weekly employment advice clinics where we advised 625 people along with our general pro bono clinics.

Employment Case study - Natalie's Story

Natalie was dismissed from her role having been diagnosed with an incurable illness. She set out a complaint against her employer's decision, who responded with a final offer of a small goodwill payment. Our discrimination caseworker was able to take on her case under legal aid and assist in her discrimination claim. She eventually agreed to a final five-figure settlement in compensation for the hurt and injury to feelings caused.

"When the case settled a feeling of both joy and relief invaded me. During the last few months, I felt like I was fighting two battles at once: a battle with my illness and fighting for my rights. I feel that from now I will be able to move forward.

"The end of this story means no more stress, more time to focus on my physical recovery and to improve my mental well-being, (I hope that there will be fewer sleepless nights) and it gives me a temporary resolution of my financial worries.

"Without the Law Centre, I wouldn't have had the knowledge to be able to deal with the question of settlement negotiations. If the Law Centre hadn't acted for me under the Legal Aid scheme, I wouldn't have been able to pay my legal expenses and I couldn't have managed this alone."

5. Housing

We work with people on a wide range of different housing issues covering possession, unlawful eviction, homelessness, disrepair and anti-social behaviour, helping people keep or gain a home. We also act for the homeless by ensuring local authorities accept their statutory duties to provide housing. We started 117 new cases and 806 clients were assisted as part of the Housing Possession Court Duty Scheme

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Housing Case Study - Susan's Story

"My situation became bad when my husband started taking drugs. He would shout at me in front of the kids to give him money and throw things in the kitchen, telling me the dealer was coming to collect money for drugs. He made me give him money and then he accessed my online banking and transferred out the money I'd been saving for the landlord. We didn't have enough left for the rent so we got behind. There wasn't even enough money left for food. I wanted to apply to separate from my husband, but because he wasn't beating me, the Council said it wasn't a case of domestic abuse.

At the Law Centre, Claudia told the Council I was entitled to emergency accommodation and so I was given a new place to live. It wasn't safe to tell my husband we were going so we had to leave everything behind. We didn't have any furniture and there was no washing machine. Claudia got in touch with the Council again and helped us move to a better place in a different area. She helped me apply for a grant to get a fridge and helped with grants for gas and electricity. It was a big help.

Without the Law Centre I wouldn't have been able to escape my husband and I'd have been taken to court by our landlord. We are now in a flat and my children have a garden - it has turned out better than I thought and we can look ahead now. Susan was referred to the Law Centre from Victim Support".

Our housing solicitor identified that Susan was suffering from emotional and financial abuse and made representation to the council on her behalf for them to accept her homeless application on the basis that, despite her having a home, it was not safe for her to remain there. The council accepted they owed her the duty to provide temporary accommodation and she was moved out of the borough, away from her husband. Our solicitor continued to make representations to the council to demonstrate she was owed the main housing duty and she was rehoused in suitable accommodation.

Community Engagement and Housing

Over the last year our Community Engagement Manager has been talking to the community about what they want from the law centre. As a result of a community survey, we have developed and piloted a series of themed workshops on using the law to support our community. These workshops are constantly evolving and have a series of case studies that are dissected as a group to find routes to remedy the situation using the same practice on each situation: Identify, Evidence, Report, Connect.

A major theme from our consultations are issues around access to and the condition of housing. We are assessing how we can further help beyond the current strictures of the legal aid scheme to develop these themes. We have taken part in consultations with the Ministry of Justice over the expansion of the Housing Court Duty Scheme. We also contributed to the inquiry into social housing, the use of the Regulator for Social Housing and the Housing Ombudsman. We arranged for the inquiry to meet tenants at their estate to see the problems first hand.

6. Migrants and Asylum Seekers

This work is focussed on enabling clients to obtain Leave to Remain. With this 'gateway' status, they can work and earn an income legally, re-unite with family left behind and maximise their life chances. Many of the people who eventually come to us have failed to have their cases fully dealt with and were exploited by other lawyers. We also worked on the EUSS scheme.

Our small team specialises in dealing with unaccompanied minors, victims of trafficking and modern slavery, domestic violence and minority groups such as LGBTQ+. We started 70 new cases. In addition 82 vulnerable people with complex applications were helped to get settled status under the EUSS scheme. Our pro bono clinics advised 590 people on immigration issues.

Immigration Case Study - Sami's Story

Sami is a former translator who worked with American and Allied forces in Afghanistan. He was granted refugee status in 2019 and applied for family reunion visas for his wife and teenage son at the beginning of 2021; however, the Home Office did not believe the relationship and refused the initial application. Our immigration solicitor lodged an appeal and obtained DNA evidence, but due to the additional time this took, the visas were not granted until August 2021, only a few days before the deadline for the evacuation of Afghanistan.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

As a result, Sami's wife and son were forced to flee to Pakistan. They were badly treated on route, all their money and medication was stolen and Sami's wife who - like him - is disabled, ended up needing treatment in hospital. He sent all the money he had to them but that still wasn't enough to cover their food, accommodation and hospital fees, not to mention the expense of their travel to the UK. We ran an emergency appeal and after a number of generous donations, and at great personal financial cost to the family, they were reunited in the UK.

"I am very very pleased. I am thankful of God that they are here. She [our immigration solicitor] helped me a lot. I really appreciate her help and her hard work from the bottom of my heart. It was very nice and kind of her and of the whole organisation."

EUSS Case Study - Antonio's story

"I came to live in the UK from Spain in the winter of 1965 and it's been my home ever since. I was working in a hospital and was given freedom to work in 1970 and I have all the paperwork from the Home Office to prove it. In 2021 I was coming back from holiday and the border police stopped me and asked how long I would be staying in the UK. They told me they'd never seen my paperwork before and said that because of Brexit a lot of people had to reapply for the right to stay in the country. I went on the internet and tried to get to the Home Office website but I couldn't get my head straight. Because I'd had a nasty accident, my left hand wasn't working properly and I could only use my right hand. I couldn't do it. I was put me in touch with Sabira at the law centre: she was very sympathetic to my case and because I couldn't walk at the time, she said she would come to where I was.

It took a long time to sort it out. I didn't understand why the Home Office was putting us through it all, but Sabira did a fantastic job and was very professional.

I was so relieved when my up-to-date status came through. It's grand to know I can stay in the country. The world had been closing in on me... I am so grateful everything is now sorted."

Antonio is a Spanish national who received Indefinite Leave to Remain in the 1970s. He is now in his late 70s and has multiple health issues. He required an up-to-date immigration status as the documentation he was originally sent was no longer recognised and he needed to access NHS services. He is digitally excluded and was unable to complete an online application himself. Our EUSS caseworker submitted an online application and uploaded supporting evidence on his behalf and requested the EUSS grants team make a quick decision because of his vulnerabilities. Antonio has now received his settled status under the EUSS. Our caseworker also submitted an application for his partner as his joining family member. This was granted a few days after Antonio's.

7. Public law

We have the ability to litigate against public authorities, this includes dealing with Home Office delays and refusals to make decisions on immigration and asylum cases.

8. Welfare Rights

We assist people with cases including appeals to the second tier Tribunal. We can further litigate suitable cases beyond this. Most of this work is now undertaken by our Crisis Navigation team.

Activity 2

Outcome - Emergency housing representation across 3 county courts: Croydon, Wandsworth and Kingston for hearings listed that day. This helps clients to defend themselves against possession and home evictions in both rented and mortgage cases.

Our duty solicitors have provided emergency legal advice/representation to clients last year in three courts and saved many from eviction often providing pro bono benefit assistance to address underlying issues relating to the benefit cap/bedroom tax.

Impact - We continue to achieve a high success rate. In 2020/21 we represented 806 people.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

"When we got to court it was really quite straightforward! The [County Court Duty Scheme] was extra helpful. We have paid for a solicitor before but the help we received in the last hour is worth more than the £700 we had to pay to someone to represent us in the past."

"My knees were shaking so much. I haven't been sleeping. I'm much relieved. You were very good. I came here expecting the worst today. I never envisaged being in this situation. It's a relief I can pay half of what I was paying before."

"You were brilliant. You were there when we needed help. We would certainly have lost our home without you."

Activity 3

Outcome - Our Volunteering Programme Our clinic programme has run remotely since March 2020 addressing legal problems in their early stages covering a wide range of legal subjects: Crime, Criminal Injury, Consumer, Employment, Family, General Litigation, Housing, Immigration, Inquests, Motoring Offences, Personal Injury, Small Claims, Wills and Probate.

Impact - The impact of a timely, accurate legal advice through a personalised intervention can prevent a problem from escalating and becoming far more damaging for an individual (as well as costly to taxpayers). Our pro bono advice clinics not only provide an avenue for clients to seek legal redress; they also empower them with new knowledge of the law and their rights, thereby increasing their confidence and capacity to approach legal problems. Our advice also helps improve the efficacy of other public services such as education, health or social services by helping eligible people exercise their rights to access these services in a timely fashion.

Pro Bono Case Study - Sophie's story

Sophie had been in a relationship with a man with a history of mental health issues and drug abuse. One night he assaulted her and the police were called. Despite her obvious injuries, they took his word against hers; she was arrested and given a caution.

'I didn't realise at the time the negative impact this was going to have on my life. I've had job offers withdrawn because of having a caution on my record. I studied Law ten years ago and I've put off pursuing a career in Law because of it. When I finally decided I had to do something about it, I approached a solicitor who told me it would cost between £4K and £6K to sort it out.'

Sophie was given an appointment in our free legal advice clinic. The volunteer solicitor explained about the AROC Records Deletion and how she could apply to have her caution removed.

'I explained what had happened and within five minutes he told me how to apply to have my record removed, saying the facts should stand for themselves. He also said it was something I could do myself without needing to pay for a solicitor. I was totally unaware of this, so when I heard it, it wasn't just legal advice, it was life-changing advice. It means I can now pursue being a barrister and I can finally let go of what I've been carrying round with me for 15 years.'

Other major achievements

Operational successes

Throughout this period, the Law Centre has taken various steps to secure its future, which have borne fruit:

Maintaining Financial Control - Much of the Senior Management Team's work has been involved in maintaining our cashflow in a difficult operating environment in a restricted legal aid environment and limited new grant funding opportunities. Overall there was reduced financial support and many funding streams remained closed meaning a greater focus was needed on careful financial control.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Increased grant funding - We are grateful for the support provided by our funders that allowed us to continue to operate in these difficult times. As well as our being supported by our existing funders, we continued to be successful in a number post covid grants and have been piloting and evaluating new work which has put us in a good position to apply for larger grants.

Maintaining quality - We continued to pass both our Lexcel and Legal Aid quality audits remotely with a positive audit assessment.

Despite the current difficulties and challenges, SWLLC achieved a high level of compliance against the Lexcel Standard. There will still be short term challenges around continuing to sustain those high levels of compliance in the face of continuing change and development both internally and externally. It remains very clear, however, that compliance remains a well embedded part of the culture and, in Lexcel terms, SWLLC is an extremely efficient and extremely well run organisation. The significant ongoing work, and influence, of the Head of Legal Practice/Lexcel SRO does continue to provide a stable platform from which to address those challenges.

Given the current context, SWLLC will need to consider what that "new normal" might mean both for culture, working methods, funding, supervision and compliance. There is also a need to continue to protect our culture - it is the culture that has both enabled, and will continue to enable, the successful development of the organisation. In addition, SWLLC will continue to proactively address the critical need to secure additional funding streams and protect its current ones. It will also need to proactively address the longer term succession plan issues and fully embed the Community Engagement Managers roles. Integral to all of this will be the need to maintain a cost effective organisation structure and the continued refinement of the culture focussed on client care, funding sources, funding models/sources, agile decision making and agile working. Some very significant progress has been made on these issues, but more can be done.

External Awards

The Law Centre was Highly Commended in the Excellence in Access to Justice Award in the Law Society Awards 2021. The judges were particularly impressed that we continued to offer legal advice throughout the pandemic and for the breadth of work done for clients, many of whom are extremely vulnerable. They also commended our new website with its bespoke triage forms that ensure people are quickly directed to the help they need.

Our Money Advice team was awarded the Debt Team of the Year Award in the inaugural Debt Free London Awards 2021. One of our housing solicitors was awarded an Outstanding Contribution Award from the Law Centres Network for her work in representing victims of domestic violence and championing new projects, including the establishment of the law centre's weekly appearance on a community radio show.

We were also shortlisted for the following awards in 2021:

- Legal Aid Lawyer of the Year (Housing) - Jeinsen Lam
- IMA Money Adviser of the Year - Roni Marsh
- IMA Innovation and Impact Award - Money Advice Team
- The Society Excellence Awards: Access to Justice

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Financial position

Financially, this year has been challenging coming out of the Covid19 pandemic. Overall there was reduced financial support and many funding streams remained closed and our legal income continued to be suppressed. At the end of 2021 -22 our unrestricted reserves decreased to £453,368 which includes the value of our work in progress at £422,249. Importantly we continue to carry positive cash reserves.

Restrictions of the Legal Aid Sentencing and Punishment of Offenders Act (LASPO) continue to make it extremely difficult for the Law Centre to operate as fairly and effectively as it should, and we continue to find ways to address these difficulties. These include thinking of ways we can further harness the legal profession's support as well as increasing the number of grant-funded projects we can undertake. The charity's income for the year was £1,509,383 compared to £1,707,190 in 2020/21. The total expenditure in the year were £1,574,499 compared to £1,526,547 in 2020/21. The net result produced a deficit of £65,116 (2020/21 £180,643). Restricted funds decreased by £21,902 and unrestricted general funds decreased by £43,214.

SWLLC held funds of £615,555 at the year-end, of which £119,847 was restricted and £495,708 was unrestricted.

In 2021/22, South West London Law Centres' main source of funding was Grant Income, due to challenges around Legal Aid income. We received funding and grants from AB Charitable Trust, Access to Justice Foundation, Battersea Power Station, Blackrock - Tides Foundation, City Bridge Trust, Croydon Advice Providers, Debt Free London, Law Centre Network, Locality, London Borough of Croydon, London Borough of Merton, London Borough of Wandsworth, London Community Foundation, London Legal Support, Lottery - Help Through Crisis Fund, Providence House, Therium Access and Trust for London. SWLLC retained a number of donors and corporate sponsors as well as raising funds through various fundraising activities.

Reserves policy

The Trustees have considered the following factors when considering a reserves policy:

- The organisation's contractual obligations to its staff in terms of parental rights, sickness pay and redundancy provisions;
- The organisation's obligations to maintain a safe and clean working environment;
- That certain equipment is essential for our work; and
- That the timing of legal aid income is uncertain.

The nature of the law centre's business means that at any one moment in time it has very considerable work in progress. This is reflected in its material reserve position. The Trustees have adopted a target for unrestricted reserves of three months expenditure which is approximately £427,500. At March 2022, our unrestricted reserves stood at £495,708 (2020/21 £538,922). Because reserves are effectively held as work in progress rather than cash the Trustees continue to prioritise effective management of work in progress turning it into cash as well as looking for other means whereby cash reserves can be built up. This will continue to be a major focus of the law centre's work in the coming year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Going concern

The ongoing impact of Covid19 on the operational activities of South West London Law Centres has increased the focus on going concern. We still see considerable impact on the ability of the Law Centre to earn Legal Aid income through an effective 20 year freeze on rates and continual difficulties resulting from court restrictions during covid slowing down cases. Although there continued to be opportunities for Covid funding many other funding opportunities remained restricted in 2021/22. The Trustees continued measures to deal with this crisis, by undertaking a scenario-based budgeting exercise to quantify the potential deficit and put in place early savings measures.

As a result it was recognised early on that the current financial year to March 2023 would be difficult. Work continued on pilot projects which could be developed into longer term funding. Through the current year 2022/23 funding opportunities have opened and we have been successful in a number of longer three year commitments which provide more stability. New funding has been awarded from the Community Fund National Lottery, Trust for London and Greater London Authority.

A budget is being set for 2023/24, which continues to reflect the challenges that we face going forward. However, we are optimistic that the relationships that we have recently developed this year with new funders, and the efforts put into diversifying our fundraising based on new areas of demand, will assist towards meeting our commitments as well as seeing our legal income start to gradual increase back to more normal levels. The Budgets are regularly reviewed by the Trustees at Board level and through a Finance Sub Committee.

Fundraising note

We are mindful of the code issued by the Fundraising regulator. We did not use any third parties in our fundraising activities and no complaints were received in the year.

Principal risks and uncertainties

South West London Law Centres undertook a strategic review and developed a revised three year strategic plan. The law centre undertakes a formal risk management review throughout the year. This forms part of the business plan cycle. This involves identifying the types of risk the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying ways of mitigating the risks. The major risks are reviewed regularly by the trustees on a quarterly basis through a risk register covering governance, regulatory and compliance, financial, operational and external factors.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

Plans for the future: The Year Ahead – Our Strategic Objectives 2022–23

We appear to be entering a significant economic downturn which is likely to extend over a sustained period. Our plans will adjust to a changing environment that Covid and changing economic circumstances leave in their wake. Our potential client base is increasing as they feel the impact of the economic situation whilst the law centre itself has to ensure it is robust enough to survive the continuing initial economic and cash flow impact.

In 2021/22 we were able to pilot and start a number of projects. These have put us in a good position to bid for grants to expand our work through a number of multi-year grants which were gained post year end. We are looking to add additional grants to expand our work and tackle cases at an initial stage which will help feed work into our specialist teams.

Following on from the pilot crisis navigation work which was externally evaluated along with our five year welfare rights project Stepping Stones, we have been able to apply for larger project funding. We are looking to build upon this work so that tackling the cost of living crisis is at the heart and centre of the law centre. This means using crisis navigators to triage clients coming to the centre, to look at other support needed. This will give us more scope to carry out outreach in the community.

In 2020/21 we had pilot funding for a Community Engagement Manager. Through her work we have established a justice network giving us the ability to consult the local community on the services they want from the law centre. From this work we have able to obtain multiyear grants to secure this post.

We are in further discussions about expanding the scope of our pro bono work to undertake some limited casework. We are looking to pilot and integrate this as part of our cost of living work.

Our detailed strategy therefore, over the 3-year period is sound and flexible enough to adapt to the changing circumstances, but the timing of each component will inevitably need significant flexibility as we enter an uncertain period. The Management Team will have that flexibility to defer and pull forward strategic actions in this Plan and others that need to be embraced in a changing environment, with the support of the Trustees, as they progress through the uncertainty of the next 3 years. Whilst the Plan provides a background of our aspirations, SURVIVAL and BASIC PROTECTION of our Clients' interests and that of the Law Centre itself are paramount in this uncertain period and our key drivers.

Summary of the Next 3 years: Success is Unlocking Justice through...

- Growth with enhanced funding to match our clients' needs, both geographically and in areas of legal need.
- A good employer developing staff.
- Working smarter with technology in a smarter working environment.
- Convincing more sponsors that funding SWLLC is the right thing to do in order to meet the legal needs of the most vulnerable in our society: we have to succeed in this.

Where do we see the Law Centre in 3 years' time? SWLLC is...

- An established voice in London and nationally; a cutting-edge legal advocate for those in most need with professional external communications developing and promoting policy and campaigns developed from casework and strategic cases
- Financially stable, attractive to more and varied funders
- A One Stop Shop for our clients delivering holistic and integrated advice and casework: we deal with the whole of the problem, not just the symptoms
- Pro Bono clinics generating more than 50% of our caseload.
- Attracting and retaining staff including qualified staff through innovation in our staff offer and development opportunities.
- An efficient case and documentation management system.
- Smart premises.
- All brought together through great internal communications.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution and Organisational Structure

South West London Law Centres (SWLLC) is a Charitable Company limited by guarantee. It was incorporated under a Memorandum and Articles of Association which were amended 15 December 2017, and was granted charitable status on 2 March 2004.

The overall responsibility of SWLLC belongs to the Trustees (board of directors) which meets bi-monthly. The Board is supported by a Finance Subcommittee. Day to day responsibility for managing the law centres is delegated to the charity's Chief Executive Officer (CEO), Patrick Marples and the Senior Management Team, comprised of the Deputy CEO, Stacey Edgar, Head of Legal Service and Housing Solicitor, Katy Forkah, and (until February 2022) Finance Manager, Gayathiri Nadarajah whose position is being recruited to. The remuneration for key management staff is determined by following a criteria of consistency with the responsibilities assigned, and alignment and success in achieving the organisation's overall strategic aims and prevailing market trends.

Appointment of trustees

SWLLC is a charitable company managed by a board of voluntary trustees comprised of local groups and individuals. Voluntary organisations from SWLLC's catchment area, representing vulnerable individuals and groups in need of our services, are encouraged to become members of the organisation and stand for election to the board as are concerned individuals from across the six boroughs. The amended articles changed the way that trustees are appointed. The size of the board is now restricted to 12 and trustees are eligible to stand for up to 2 terms of 4 years before a break. Trustees due for re-election retire from office at the AGM and those eligible can stand for re-election.

Trustee induction and training

Skill gaps on the Board are regularly identified and as a result efforts are made to identify new Trustees capable of filling any gaps. Induction and training of trustees is currently carried out on an ad-hoc basis as and when the needs arise. The Trustees have developed an induction programme and are reviewing training policies as part of its current review.

Related parties and relationships with other organisations

There are no related parties' transactions.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of South West London Law Centres 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 company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 to 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.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 January 2023 and signed on the board's behalf by:

A handwritten signature in black ink that reads "Allan Blake". The signature is written in a cursive style with a large, stylized initial 'A'.

Allan Blake
Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH WEST LONDON LAW CENTRES

Independent auditor's report to the members of South West London Law Centres

Opinion

We have audited the financial statements of South West London Law Centres for the year ended 31 March 2022, which comprise the Statement of Financial activities, Balance Sheet, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SOUTH WEST LONDON LAW CENTRES

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 15 and 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, and Payroll and Sales Taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries or the manipulation of accounting estimates, such as the recognition of work in progress. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SOUTH WEST LONDON LAW CENTRES**

- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Date: 30 January 2023.....

SOUTH WEST LONDON LAW CENTRES

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Grants and donations	3	307,219	834,773	1,141,992	1,396,065
Legal and advice services	4	367,373	-	367,373	311,084
Investment income	5	<u>18</u>	<u>-</u>	<u>18</u>	<u>41</u>
Total		<u>674,610</u>	<u>834,773</u>	<u>1,509,383</u>	<u>1,707,190</u>
EXPENDITURE ON					
Raising funds	6	38,573	-	38,573	39,489
Charitable activities					
Legal and advice services	7	<u>679,251</u>	<u>856,675</u>	<u>1,535,926</u>	<u>1,487,058</u>
Total		<u>717,824</u>	<u>856,675</u>	<u>1,574,499</u>	<u>1,526,547</u>
NET INCOME/(EXPENDITURE)		(43,214)	(21,902)	(65,116)	180,643
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>538,922</u>	<u>141,749</u>	<u>680,671</u>	<u>500,028</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>495,708</u></u>	<u><u>119,847</u></u>	<u><u>615,555</u></u>	<u><u>680,671</u></u>

The notes form part of these financial statements

SOUTH WEST LONDON LAW CENTRES (REGISTERED NUMBER: 05018587)

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	13	11,951	-	11,951	18,566
CURRENT ASSETS					
Work in progress	14	422,249	-	422,249	392,350
Debtors	15	393,599	-	393,599	568,461
Cash at bank		<u>113,993</u>	<u>119,847</u>	<u>233,840</u>	<u>343,968</u>
		929,841	119,847	1,049,688	1,304,779
CREDITORS					
Amounts falling due within one year	16	(446,084)	-	(446,084)	(642,674)
NET CURRENT ASSETS					
		<u>483,757</u>	<u>119,847</u>	<u>603,604</u>	<u>662,105</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>495,708</u>	<u>119,847</u>	<u>615,555</u>	<u>680,671</u>
NET ASSETS					
		<u><u>495,708</u></u>	<u><u>119,847</u></u>	<u><u>615,555</u></u>	<u><u>680,671</u></u>
FUNDS					
Unrestricted funds	18			495,708	538,922
Restricted funds				<u>119,847</u>	<u>141,749</u>
TOTAL FUNDS					
				<u><u>615,555</u></u>	<u><u>680,671</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 January 2023 and were signed on its behalf by:



Allan Blake
Trustee

SOUTH WEST LONDON LAW CENTRES

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(109,501)</u>	<u>121,074</u>
Net cash (used in)/provided by operating activities		<u>(109,501)</u>	<u>121,074</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(645)	(21,134)
Interest paid		-	(146)
Interest received		<u>18</u>	<u>41</u>
Net cash used in investing activities		<u>(627)</u>	<u>(21,239)</u>
Change in cash and cash equivalents in the reporting period			
		(110,128)	99,835
Cash and cash equivalents at the beginning of the reporting period		<u>343,968</u>	<u>244,133</u>
Cash and cash equivalents at the end of the reporting period		<u><u>233,840</u></u>	<u><u>343,968</u></u>

The notes form part of these financial statements

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(65,116)	180,643
Adjustments for:		
Depreciation charges	7,260	2,568
Interest received	(18)	(41)
Interest paid	-	146
Increase in work in progress	(29,899)	-
Decrease/(increase) in debtors	174,862	(40,749)
Decrease in creditors	<u>(196,590)</u>	<u>(21,493)</u>
Net cash (used in)/provided by operations	<u>(109,501)</u>	<u>121,074</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	<u>343,968</u>	<u>(110,128)</u>	<u>233,840</u>
Total	<u>343,968</u>	<u>(110,128)</u>	<u>233,840</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

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

GOING CONCERN

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The financial position, reserves levels and future plans gives the trustees confidence the Charity remains a going concern for the foreseeable future.

INCOME

All income is recognised in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy and receipt is probable.

Legal Aid Agency income is accounted for on a receivable basis when the income is measurable and certain. In the case of Legal Aid, the Legal Aid Agency income is usually recognised once they have confirmed the payment. Legal Help income is recognised under the Unified Contract when SWLLC has closed the cases and is entitled to claim the fee.

Voluntary income is received by way of donations and covenants and is included in full in the statement of financial activities when receivable.

Grant income is recognised in full in the statement of financial activities in the year in which it is receivable or received whichever is the earlier.

EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Overheads have been allocated on the basis of staff time.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Support costs are those incurred directly in support of expenditure on the objects of the company. Any irrecoverable VAT is written back to general expenditure.

Governance costs are those incurred in connection with enabling the company to comply with external regulation, constitutional and statutory requirements, and in providing support to the Trustees in the discharge of their statutory duties.

TANGIBLE FIXED ASSETS

Assets costing more than £100 are capitalised, where the benefits of capitalisation are material.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Furniture, fittings and equipment - Over 3 years

SOUTH WEST LONDON LAW CENTRES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

WORK IN PROGRESS

Work in progress represents the value of all open legally aid funded cases. These cases had been opened but were not yet completed, as at 31 March 2022. Work in progress has been valued at the lower of cost and net realisable value taking into account payments that have already been received.

TAXATION

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

FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

HIRE PURCHASE AND LEASING COMMITMENTS

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

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

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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. Although these estimates are based on the trustees' best knowledge of the amount, events or actions actual results ultimately differ from these estimates. Estimates have been used in the calculation of the pension liability and valuation of the contribution by volunteers. The valuation of our work in progress is normally looked at on a quarterly basis, to assess the value of time earned but not billed. A provision is held against legal casework where it has been determined that the likelihood of recovery of costs is low.

3. GRANTS AND DONATIONS

	Total Funds 2022 £	Total Funds 2021 £
General donations	19,483	13,875
City solicitors donations	116,863	161,000
Pro bono volunteers	37,500	48,580
London borough of Merton	56,000	56,000
London borough of Croydon	38,551	40,000
Other grants	<u>873,595</u>	<u>1,076,611</u>
	<u>1,141,992</u>	<u>1,396,065</u>

The charity received no donations in kind in 2022 (2021: NIL).

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

3. GRANTS AND DONATIONS - continued

The charity has benefited during the year from pro bono legal volunteers, whose professional services had we paid for would have been valued at £1.6m (2021: £1.6m).

We have calculated the financial benefit provided to SWLLC, by the volunteers by estimating the cost of day time volunteers only. At a conservative estimate, daytime volunteers provide the equivalent of £37,500 in added value (£7.50ph administration/reception and £15ph casework support).

We estimate the value of pro bono work provided by our evening volunteers at around £1.6 million pounds - on the basis that each client (including follow up work and supervision time can take a combined total of volunteer 3 hours at a cost of £168ph). We have used an estimated high street rate, which is higher than the legal rates that the law centre staff recover, and also assumed that rates have stayed fixed since last year.

4. LEGAL AND ADVICE SERVICES

	2022	2021
	£	£
Legal and advice services	<u>367,373</u>	<u>311,084</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Interest receivable	<u>18</u>	<u>41</u>

6. RAISING FUNDS

	2022	2021
	£	£
Support costs - staff	31,122	31,948
Other support costs (see note 8)	7,451	7,541
	<u>38,573</u>	<u>39,489</u>

7. CHARITABLE ACTIVITIES COSTS

	2022	2021
	£	£
Legal and advice services		
Direct staff costs	812,895	829,776
Direct activity costs	76,431	157,511
Support costs (see note 8)	646,600	499,772
	<u>1,535,926</u>	<u>1,487,058</u>

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. SUPPORT COSTS ALLOCATED TO ACTIVITIES

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

	Fundraising £	Charitable £	2022 £	2021 £
Staff costs	31,122	355,953	387,075	277,828
Premises costs	3,134	113,238	116,372	113,993
Office and administration	4,317	149,865	154,182	118,067
Insurance costs	-	6,115	6,115	29,374
Governance costs	-	21,429	21,429	-
Total	38,573	646,600	685,173	539,261

Overhead costs have been allocated on the basis of staff time.

SUPPORT COSTS ALLOCATED TO ACTIVITIES – PRIOR YEAR

	Fundraising £	Charitable £	2021 £	2020 £
Staff costs	31,948	245,880	277,828	306,580
Premises costs	3,288	110,705	113,993	107,762
Office and administration	3,406	114,661	118,067	-
Insurance costs	847	28,526	29,374	130,440
Governance costs	-	-	-	22,792
Total	39,489	499,772	539,261	567,574

9. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	15,000	13,345
Depreciation - owned assets	7,260	2,568
Hire of plant and machinery	<u>32,408</u>	<u>13,805</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,053,777	990,719
Social security costs	106,151	81,310
Other pension costs	<u>43,838</u>	<u>35,654</u>
	<u>1,203,766</u>	<u>1,107,683</u>

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

	2022	2021
Legal service and advice	26	29
Support and fundraising	<u>11</u>	<u>13</u>
	37	42

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. STAFF COSTS - continued

No employee received remuneration amounting to more than £60,000 in either year. The remuneration of the Charity's key management personnel in the year was £54,975 (2021: £56,716).

Redundancy payments were £2,690 (2021: NIL) in the year.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Grants and donations	336,193	1,059,872	1,396,065
Legal and advice services	311,084	-	311,084
Investment income	<u>41</u>	<u>-</u>	<u>41</u>
Total	<u>647,318</u>	<u>1,059,872</u>	<u>1,707,190</u>
 EXPENDITURE ON			
Raising funds	39,489	-	39,489
Charitable activities			
Legal and advice services	509,792	977,266	1,487,058
Total	<u>549,281</u>	<u>977,266</u>	<u>1,526,547</u>
 NET INCOME	98,037	82,606	180,643
 RECONCILIATION OF FUNDS			
Total funds brought forward	440,885	59,143	500,028
 TOTAL FUNDS CARRIED FORWARD	<u><u>538,922</u></u>	<u><u>141,749</u></u>	<u><u>680,671</u></u>

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

13. TANGIBLE FIXED ASSETS

		Plant and machinery £
COST		
At 1 April 2021		128,222
Additions		<u>645</u>
At 31 March 2022		<u>128,867</u>
DEPRECIATION		
At 1 April 2021		109,656
Charge for year		<u>7,260</u>
At 31 March 2022		<u>116,916</u>
NET BOOK VALUE		
At 31 March 2022		<u>11,951</u>
At 31 March 2021		<u>18,566</u>

14. WORK IN PROGRESS

	2022 £	2021 £
Work-in-progress	<u>422,249</u>	<u>392,350</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	58,205	52,288
Other debtors	208,673	288,170
Prepayments and accrued income	<u>126,721</u>	<u>228,003</u>
	<u>393,599</u>	<u>568,461</u>

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Clients' funds held	109,916	165,960
Trade creditors	239,889	303,817
Social security and other taxes	30,729	32,545
Other creditors	21,083	14,167
Accrued expenses	<u>44,467</u>	<u>126,185</u>
	<u>446,084</u>	<u>642,674</u>

17. LEASING AGREEMENTS

As at 31 March 2022, the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Within 1 year	58,700	58,700	17,706	19,275
Between 2 and 5 years	51,958	94,800	56,368	70,824
Over 5 years	-	15,858	-	3,250
	<u>110,658</u>	<u>169,358</u>	<u>74,074</u>	<u>93,349</u>

18. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	At 31.3.22
	£	£	£
Unrestricted funds			
General fund	520,356	(36,599)	483,757
Fixed asset fund	<u>18,566</u>	<u>(6,615)</u>	<u>11,951</u>
	538,922	(43,214)	495,708
Restricted funds			
General fund	141,749	(21,902)	119,847
	<u>680,671</u>	<u>(65,116)</u>	<u>615,555</u>

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. MOVEMENT IN FUNDS - continued

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

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	674,610	(711,209)	(36,599)
Fixed asset fund	<u>-</u>	<u>(6,615)</u>	<u>(6,615)</u>
	674,610	(717,824)	(43,214)
Restricted funds			
General fund	834,773	(856,675)	(21,902)
	<u>1,509,383</u>	<u>(1,574,499)</u>	<u>(65,116)</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	440,885	98,037	(18,566)	520,356
Fixed asset fund	<u>-</u>	<u>-</u>	<u>18,566</u>	<u>18,566</u>
	440,885	98,037	-	538,922
Restricted funds				
General fund	59,143	82,606	-	141,749
	<u>500,028</u>	<u>180,643</u>	<u>-</u>	<u>680,671</u>

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

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	647,318	(549,281)	98,037
Restricted funds			
General fund	1,059,872	(977,266)	82,606
	<u>1,707,190</u>	<u>(1,526,547)</u>	<u>180,643</u>

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	440,885	61,438	(18,566)	483,757
Fixed asset fund	<u>-</u>	<u>(6,615)</u>	<u>18,566</u>	<u>11,951</u>
	440,885	54,823	-	495,708
Restricted funds				
General fund	59,143	60,704	-	119,847
	<u>500,028</u>	<u>115,527</u>	<u>-</u>	<u>615,555</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Movement in funds £
Unrestricted funds			
General fund	1,321,928	(1,260,490)	61,438
Fixed asset fund	<u>-</u>	<u>(6,615)</u>	<u>(6,615)</u>
	1,321,928	(1,267,105)	54,823
Restricted funds			
General fund	1,894,645	(1,833,941)	60,704
	<u>3,216,573</u>	<u>(3,101,046)</u>	<u>115,527</u>

Fixed Asset Fund

This represents the net book value of fixed assets held within unrestricted funds.

SOUTH WEST LONDON LAW CENTRES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

RESTRICTED FUNDS

	Brought Forward	Income	Expenditure	Carried Forward
	£	£	£	£
AB Charitable Trust	-	20,000	(20,000)	-
Access to Justice Foundation	-	60,000	(60,000)	-
Battersea Power Station	-	5,000	(5,000)	-
Blackrock - Tides Foundation	-	7,241	(7,241)	-
City Bridge Trust	2,121	52,500	(54,621)	-
Croydon Advice Providers	-	32,410	(32,410)	-
Debt Free London	-	251,167	(251,167)	-
Here for Good	-	53,493	(53,493)	-
Law Centre Network Crisis	-	13,000	(13,000)	-
Law Centre Network Employment	-	12,527	(12,527)	-
Locality	-	7,500	-	7,500
London Borough of Croydon	-	39,773	(30,841)	8,932
London Borough of Merton (EUSS)	-	34,355	(9,578)	24,777
London Borough of Wandsworth - EUSS	-	24,000	-	24,000
London Borough of Wandsworth Home Office	-	32,799	(32,799)	-
London Borough of Wandsworth	-	7,500	(7,500)	-
London Community Foundation	-	5,000	(5,000)	-
London Legal Support Trust	5,000	-	-	5,000
London Legal Support Trust - Kingston & Surrey Grants	38,816	27,457	(31,802)	34,471
Lottery - Help Through Crisis Fund	63,256	-	(63,256)	-
Lottery	136	-	(136)	-
Providence House	-	8,574	(8,574)	-
Therium Access	26,163	26,163	(52,326)	-
Trust for London (Elan)	6,257	32,314	(38,571)	-
Trust for London	-	32,000	(29,333)	2,667
Trust for London - London Community Response Fund	-	50,000	(37,500)	12,500
Total	141,749	834,773	(856,675)	119,847

SOUTH WEST LONDON LAW CENTRES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

Purpose of restricted funds:

AB Charitable Trust is funding to pay for the post of a Communications manager.

Access to Justice Foundation - Post covid funding to support the continuing case work of the law centre

Battersea Power Station - A grant to temporarily fund a crisis navigator

Blackrock - Tides Foundation - a grant to start up a complaints clinic

City Bridge Trust is a grant to fund a volunteer support worker and related volunteer costs which successfully concluded in March 2022

Croydon Advice Providers - a partnership grant with Croydon Citizens Advice under Croydon Council's Community Fund for the provision of a pro bono clinic service in Croydon

Debt Free London income was received under a partnership grant with Toynbee Hal a consortium of other London advice agencies, funded by the Money and Pensions Service for face to face debt advice across South West London

Here for Good a grant to fund a EU Settlement Scheme caseworker seconded to Here for Good.

Law Centre Network Crisis, a partnership grant with Law Centres administered by the Law Centres Network to provide welfare rights and immigration support to Crisis Hubs.

Law Centre Network Employment funding to recruit and provide start up funding for a discrimination caseworker

Locality - a grant towards refurbishment cost of the Merton office

London Borough of Croydon was a grant received towards rent of the office at Davis House

London Borough of Merton - EUSS - a grant towards the funding of part of an immigration post specialising on helping those needing support with EUSS applications

London Borough of Wandsworth - EUSS - a grant towards the funding of part of an immigration post specialising on helping those needing support with EUSS applications

London Borough of Wandsworth - Home Office - a grant funded by the Home Office in partnership with Wandsworth Council and Citizens Advice Wandsworth to assist people with EUSS applications.

London Borough of Wandsworth - a temporary grant to provide a housing advice line and develop a housing clinic

London Community Foundation - A grant to temporarily fund a crisis navigator

London Legal Support Trust a donation towards core cost under their Centres of Excellence Scheme. Monies carried forward for the refurbishment of our offices in Merton

London Legal Support Trust - Kingston & Surrey Grants and funding raised to support the development of work in Kingston and Surrey.

SOUTH WEST LONDON LAW CENTRES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

Lottery - Help Through Crisis Fund is a five-year collaboration project funded by the Big Lottery to provide casework and wraparound support under the project of Stepping Stones. The project successfully concluded in September 2021

Providence House - Funding through Wandsworth Council to temporarily fund a crisis navigator

Therium Access - A grant to fund a crisis navigator

Trust for London (Elan) a grant to support a coordinator for the Employment Legal Advice Network, a forum for employment advice agencies across London

Trust for London was a grant received towards the cost of an employment caseworker.

Trust for London - London Community Response Fund - Funding under the renewal funding that funded a new post of a Community Engagement Manager.

19. RELATED PARTY DISCLOSURES

The aggregate of donations received from the Trustees in the year was £360 (2021: NIL).

There were no other related party transactions for the year ended 31 March 2022 (2021: NIL).