

Charity Registration No. 279699

Company Registration No. 1480110 (England and Wales)

NORTH KENSINGTON LAW CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

NORTH KENSINGTON LAW CENTRE

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their report and financial statements for the year ended 31 March 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Legal and administrative information

Trustees	Rachel Attwell (Vice-Chair) Mary Gardiner (resigned 5 December 2016) Dominic Howells James Nash (appointed 17 January 2017) David Nicholls (resigned 11 July 2017) Harvey Rands Joanne Skolnick (appointed 24 April 2017) Priya Solanki (resigned 25 May 2016) Emma Watson (Chair)
Secretary	Victoria Vasey
Charity number	279699
Company number	01480110
Principal address	Unit 15 Baseline Studios Whitchurch Road London W11 4AT
Website	http://www.nklc.co.uk
Email	info@nklc.co.uk
Independent examiner	Angela Ktistakis GMAK Chartered Accountants 5/7 Vernon Yard London W11 2DX
Bankers	Unity Trust Bank Nine Brindley Place 4 Oozells Square Birmingham B1 2HB

Structure, governance and management

The Law Centre is a registered charity and a company limited by guarantee. It is controlled by a voluntary Management Committee comprising its trustees and is led at the executive level by a Director and Senior Solicitor.

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

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

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

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

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

The Law Centre is governed by a memorandum and articles of association, which were last amended on 11 July 2016.

Recruitment and training of trustees

During the year two trustees joined the Law Centre. The current trustees of the Law Centre would like to express their gratitude to the departing trustee, David Nicholls for his contributions.

The new appointments were James Nash and Joanne Skolnick. James trained as a chartered accountant at Deloitte LLP, specialising in financial audit, and now works in the healthcare sector. He read Law at university, and maintains a particular interest in promoting access to justice. Joanne is a dual-qualified solicitor who has worked in private practice in New York and Toronto as well as an Assistant Attorney General for the State of New York. She is currently qualifying as an English solicitor. Joanne has served on the board and volunteered for several organisations and charities in London. She is a resident of Kensington.

Biographic information concerning all our current trustees is available on our website.

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

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

Risk management

The Finance and Personnel Sub-committee, which comprises the Chair and four other trustees, is responsible for monitoring operational and financial risks affecting the Law Centre. The Risk Register identifies the principal risks faced by the organisation. The risks are prioritised based on potential impact and likelihood of occurrence and mitigation strategies are developed in collaboration with Law Centre management staff. The Risk Register is reviewed periodically by the Management Committee.

Constitutional objects

The Law Centre is a charity whose objects, as defined by the Articles of Association, are:

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

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

These are the objects as stated in the Articles of Association amended on 11 July 2016.

Review of activities and performance during the year

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

Clients supported during the year

Following deep cuts in Legal Aid and the significant impact this has had on the charity's funding, particularly since 2013, the Law Centre has transformed how it delivers its services and has increased the number of people it can help in the community.

The Law Centre's Triage programme, set up in 2014, has gone from strength to strength. A system of triage, managed by a dedicated Triage Co-ordinator with additional support from volunteers, has been honed to enable the Law Centre to handle up to 200 queries from individual clients every month. On average almost 60 of these queries develop into casework managed by the Law Centre either through Legal Aid, private fees or on a pro bono basis. The majority of the other queries are handled at with basic advice or referred to other agencies.

With a robust system of Triage in place, the Centre is able to assess all clients accurately and provide basic legal advice quickly.

Under the Legal Aid contract, 101 cases were opened in Housing and Immigration. Around 126 cases were closed, which included on-going cases from previous years. In over 95% of Immigration cases under Legal Aid, the Law Centre has been successful in achieving leave to remain in the UK. In over 95% of Housing cases, the Centre has ensured that clients successfully avoided homelessness.

In addition to our Legal Aid casework, 203 Immigration clients received fixed fee one hour advice to help them to address their immigration matters that are now out of scope for legal aid, plus further casework where necessary.

In Employment, in addition to short pro bono advices and fixed fee consultations for more complicated matters, we have used damages based agreements (DBA) to help clients win cases where there is evidence of discrimination or unfair dismissal. This is a “no win no fee” approach to helping clients win compensation; the Law Centre secures a percentage of the compensation as a fee. The Law Centre runs DBAs and fixed fee work as well as offering clients pro bono advice on a range of employment matters.

The Law Centre also continued to offer advice and take on new cases for Welfare Benefits, despite Welfare Benefits no longer being funded by Legal Aid, aside from the few cases which reach the Upper Tier Tribunal. In addition to offering advice to over 300 clients with welfare benefits queries, 196 new appeal cases were opened, of which in the majority resulted in successful challenges to the DWP, and for the clients either benefits were reinstated or overpayments were reduced or cancelled.

Funding

The Law Centre is funded from a variety of sources including grants, donations and income derived from our contracts with the Legal Aid Agency in the areas of Housing and Immigration.

Employment is part funded by grants from the Trust for London and the Royal Borough of Kensington and Chelsea.

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

All triage work is generously funded by a grant from the City Bridge Trust. The Law Centre is also most grateful to the Tudor Trust for continued funding for the Director role. The Law Society has continued to fund the Law Centre’s trainee solicitor through its Diversity Access Scheme..

This year saw concerted work to continue to build on the Law Centre’s operating platform and ability to build new work streams. This was largely made possible through generous funding from the Local Sustainability Fund. Through this work we have been able to commission and set up a new case management system and IT platform, to update our website, to build more robust internal financial and management processes and to have confidence in building our external profile. This work, whilst necessarily low key and has somewhat impacted our ability

to earn fees, as staff time has been dedicated to this project, has been a huge success. The achievements of this project proved invaluable in enabling the Law Centre to face the challenges and huge increase in workload brought by the Grenfell fire in June 2017.

Staff and volunteers

Victoria Vasey took over the role of Director in May 2016. She is responsible for the executive management of the organisation and is the principal point of liaison between the staff and trustees.

During the year Shue Yo Lin left her successful temporary role in the Employment department and the Law Centre happily welcomed back Barry Mills. The Law Centre also welcomed Rachael Marchal and Debbie Yates onto the staff during the year. Rachael is an immigration solicitor who brings a wealth of experience from the refugee sector. Debbie has fifteen years' experience working in Law Centres and brings a wealth of administrative experience in compliance, HR, governance, fundraising, monitoring and evaluation and managing Legal Aid contracts.

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

Financial review

Finances for the year to 31 March 2017 remained relatively stable. Total incoming resources for the year (which represented the total funding we had available for our activities) amounted to £374,067, an increase of approximately 4 per cent, compared with the previous year's figure of £358,743. Funding earned from the provision of legal services continued to be our largest single source of income in the year at £88,372 (2016: £116,127). This includes our income from the Legal Aid Agency and our earned income from fees charged to clients.

Our other income amounted to £285,695 for the year (2016: £242,616), an increase of approximately 18 per cent versus the prior year. This income included £62,350 from the Royal Borough of Kensington and Chelsea (2016: £62,350), £220,886 in major grants from charitable trusts and other similar bodies (2016: £174,111) and £2,459 from miscellaneous donations and other income (2016: £6,158). We are grateful to all our donors and grantors who supported us during the year and in particular to the Trust for London, the Local Sustainability Fund, the City Bridge Trust, the London Legal Support Trust, the Tudor Trust, the Law Society and the Access to Justice Foundation for their significant grants. Details of our income for the year including major individual grants and donations are set out in notes 3 and 4 to the accounts.

Our expenditure for the year was also relatively stable, with the total figure of £378,037, an increase of approximately 11 per cent on the prior year. Details of our expenditure for the year are set out in note 6 to the accounts.

The result was a net deficit for the year of £3,970 (2016: surplus £16,846) and funds carried forward of £31,833 (2016: £35,803) of which £25,243 were free reserves and £6,590 restricted.

Reserves policy

✓ ✓ The trustees have considered the charity's requirements for reserves and have established a policy that aims that the unrestricted funds not invested in tangible fixed assets held by the charity should be at least three months' expenditure. Budgeted expenditure for the year ending March 2018 is £548,921. The target is therefore ~~£135,230~~ £149,867.

~~£599,467~~
The trustees aspire to increase the reserves of the charity over the coming years to reach the specified three-month level. However, because most of the Law Centre's income is derived under contracts to perform specific work or by restricted grants, the trustees cannot simply increase reserves by reducing the scope and ambition of the organisation's activities as to do so could jeopardise income as much as it reduced costs. We hope through an active campaign of fundraising over the coming years to increase the resources of the organisation and to develop the reserve.

Members of the board of trustees

Details of the trustees, for the period up to the date of this report, are listed on page 1. None of the trustees have any beneficial interest in the company.

Statement of the trustees' annual responsibilities

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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are responsible and prudent;
- state whether applicable UK accounting standards 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 the 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 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Events since the end of the year

In the opinion of the trustees no event since the balance sheet date significantly affects the company's financial position.

Public benefit statement

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commissions general guidance on public benefit, 'Charities and Public Benefit'.

✓ ✓ North Kensington Law Centre's charitable purpose is set out in its Articles of Association and is stated above under the heading 'Objects' on page ~~2~~ 3

"Constitutional objects"

Basis of preparation

This financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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) and in accordance with special provisions of Part 15 of the Companies Act 2006 relating to small entities.

This report was approved by the board of Trustees on 22 December 2017 and signed on its behalf by

D. Howell

Dominic Howell

Trustee

NORTH KENSINGTON LAW CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NORTH KENSINGTON LAW CENTRE

I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 9 to 18.

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of North Kensington Law Centre for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being an ACA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 396 of the Companies Act 2006; and
 - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

A. Ktistaki

Angela Ktistaki ACA, FCCA
GMAK - Chartered accountants

5/7 Vernon Yard
London
W11 2DX

Dated: 22 Dec 2017

NORTH KENSINGTON LAW CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:					
Donations and core grants	3	44,795	-	44,795	48,419
Charitable activities	4	88,372	240,886	329,258	310,238
Investments	5	14	-	14	86
Total Income		133,181	240,886	374,067	358,743
Expenditure on:					
Charitable activities	6	137,151	240,886	378,037	341,896
Net (outgoing)/incoming resources before transfers		(3,970)	-	(3,970)	16,847
Gross transfers between funds		(6,580)	6,580	-	-
Net (expenditure)/income for the year/ Net movement in funds		(10,580)	6,580	(3,970)	16,847
Fund balances at 1 April 2016		35,803	-	35,803	18,957
Fund balances at 31 March 2017		25,243	6,580	31,833	35,804

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH KENSINGTON LAW CENTRE

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Stocks	11	52,428		62,611	
Debtors	12	52,349		17,888	
Cash at bank and in hand		13,255		28,158	
		<u>118,032</u>		<u>108,657</u>	
Creditors: amounts falling due within one year	13	(86,199)		(72,853)	
Net current assets			<u>31,833</u>		<u>35,804</u>
Income funds					
Restricted funds	14	8,590		-	
Unrestricted funds		25,243		35,804	
		<u>31,833</u>		<u>35,804</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 22/12/17.

D. Howells

 Dominic Howells
 Trustee

Company Registration No. 1480110

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity Information

North Kensington Law Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 15, Baseline Studios, Whitechurch Road, London W11 4AT.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ending 31 March 2017 are the first accounts of the charity prepared in accordance with FRS102. The date of transition to FRS102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are used for specific purposes as laid down by the donor. Expenditure which meets this criteria is allocated to the fund together with a fair allocation of overheads and support costs. Fund balances carried forward are those necessary to complete the project or activities for which the funds were provided.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

(Continued)

Voluntary income including donations, gifts and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

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

Investment income is recognised on a receivable basis.

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

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

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

1.5 Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

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

Charitable activities include both the direct and support costs relating to these activities.

Governance costs include the cost of the preparation and independent examination of the statutory accounts, the cost of trustees' meetings and the costs of any legal advice to trustees on governance or constitutional matters.

Support costs include central functions and have been allocated to activity cost categories on a basis of staff costs of time spent and other costs by their usage.

Where any VAT is irrecoverable as a result of partial exemption, this amount is charged to support costs.

1.6 Stocks

Work in progress is valued at the lower of cost and net realisable value.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

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

3 Donations and core grants

	2017	2016
	£	£
Donations and gifts	2,445	6,069
RBK&C	42,350	42,350
	<u>44,795</u>	<u>48,419</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017 £	2016 £
Legal services	88,372	116,127
Performance related grants	240,886	194,111
	<u>329,258</u>	<u>310,238</u>
Analysis by fund		
Unrestricted funds	88,372	
Restricted funds	240,886	
	<u>329,258</u>	
For the year ended 31 March 2016		
Unrestricted funds		116,127
Restricted funds		194,111
		<u>310,238</u>
Performance related grants		
Trust for London	36,860	38,611
Big Lottery Fund	-	14,662
The Tudor Trust	40,000	40,000
The Law Society	-	10,138
London Legal Support Trust	-	10,000
City Bridge Trust	50,000	50,000
Access to Justice	20,278	10,800
RBK & C	20,000	20,000
Local Sustainability Fund	73,750	-
Other	-	-
	<u>240,886</u>	<u>194,111</u>

5 Investments

	2017 £	2016 £
Interest receivable	<u>14</u>	<u>86</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Charitable activities

	2017 £	2016 £
Staff costs	268,067	264,562
Charitable expenditure	52,887	12,877
	<u>320,954</u>	<u>277,439</u>
Share of support costs (see note 7)	50,770	57,648
Share of governance costs (see note 7)	6,313	6,809
	<u>378,037</u>	<u>341,896</u>
Analysis by fund		
Unrestricted funds	137,151	
Restricted funds	240,886	
	<u>378,037</u>	
For the year ended 31 March 2016		
Unrestricted funds		147,785
Restricted funds		194,111
		<u>341,896</u>

7 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Base of allocation
Premises and equipment	23,662	-	23,662	21,830	Direct apportionment
General office	27,108	-	27,108	35,818	Direct apportionment
Accountancy	-	6,300	6,300	6,000	Governance
Trustees' meeting and AGM expenses	-	13	13	809	Governance
	<u>50,770</u>	<u>6,313</u>	<u>57,083</u>	<u>64,457</u>	
Analysed between					
Charitable activities	<u>50,770</u>	<u>6,313</u>	<u>57,083</u>	<u>64,457</u>	

Governance costs includes payments to the independent examiner of £6,300 (2016- £6,000) for examination fees.

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, nor were they reimbursed any expenses (2016 -Nil)

9 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Direct	6	4
Administration	2	2
	<u>8</u>	<u>6</u>

Employment costs

	2017 £	2016 £
Wages and salaries	243,841	244,742
Social security costs	20,962	19,170
Other pension costs	3,284	650
	<u>268,087</u>	<u>264,562</u>

There were no employees whose annual remuneration was £60,000 or more.

10 Financial Instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>50,838</u>	<u>16,376</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>44,462</u>	<u>37,036</u>

11 Stocks

	2017 £	2016 £
Work in progress	<u>52,428</u>	<u>62,611</u>

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

12 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Operating debtors	27,913	9,087
Other debtors	22,925	7,311
Prepayments and accrued income	1,511	1,510
	<u>52,349</u>	<u>17,888</u>

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	41,747	35,818
Operating creditors	22,884	18,668
Other creditors	15,918	12,642
Accruals and deferred income	5,850	7,625
	<u>86,199</u>	<u>72,853</u>

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Transfers £	Balance at 31 March 2017 £
		Incoming resources £	Resources expended £		
Legal Services	-	78,860	(78,860)	-	-
Legal Advice	-	90,276	(90,276)	-	-
Local Sustainability Fund	-	73,750	(73,750)	6,590	6,590
	<u>-</u>	<u>240,886</u>	<u>(240,886)</u>	<u>6,590</u>	<u>6,590</u>

The Legal Services fund is to provide for part of the salary of an employment solicitor, an employment caseworker and key salaries and associated costs.

The Legal Advice fund is to enable the charity to improve access to legal advice services for migrant domestic workers.

The Local Sustainability Fund is to build robust operating platforms within the organisation, to develop the Law Centre's public profile and to improve monitoring and evaluation.

NORTH KENSINGTON LAW CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2017**

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Current assets/(liabilities)	25,243	6,590	31,833
	<u>25,243</u>	<u>6,590</u>	<u>31,833</u>

16 Capital commitments

There were no capital commitments at 31 March 2017 (2016: Nil).

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate compensation	<u>82,091</u>	<u>70,313</u>

There were no other disclosable related party transactions during the year (2016 - none).