

CHARITY NO. 1006740  
COMPANY NO. 2584471

ROCHDALE LAW CENTRE  
(a company Limited by Guarantee)

UNAUDITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

A. Brooks FCA  
Chartered Accountant  
Morris Gregory  
Units 10-12  
County End Business Centre  
Jackson Street  
Springhead  
Oldham  
OL4 4TZ

ROCHDALE LAW CENTRE  
(a company Limited by Guarantee)

CONTENTS

	Page
Reference and administrative details	1
Summary of charitable activities	2
Report of the trustees and directors	3 - 5
Independent Examiner's Report	6
Statement of financial activities	7
Statement of financial position	8
Notes to the financial statements	9 - 18
The following page does not form part of the Financial Statements.	
Detailed income and expenditure account	19

**Reference and administrative details**

**Management Committee**

Members of the Management Committee  
(Trustees and Directors)

Ghulam Shahzad	(Chair)
Peter Brierley	(Treasurer)
Steven Anthony Cooke	(Vice Chair)/
	(Secretary)
Rosemary Jones	(Member)
Ian Mann	(Member)
Shahida Dolan	(Member)

Day to day management of the Law Centre and management of the legal works is delegated by the management committee to the Senior Solicitor, Gillian Quine, and the staff management team.

**Company Secretary**

Gillian Quine

**Registered Office  
Operational address**

Rochdale Law Centre  
15 Drake Street  
Rochdale  
OL16 1RE

**Independent Examiner**

Alan Brooks  
Morris Gregory Chartered Accountants  
and Registered Auditors  
County End Business Centre  
Jackson Street  
Springhead  
Oldham  
OL4 4TZ

**Bankers**

Co-operative Bank plc  
Olympic House  
6 Olympic Court  
Montford Street  
Salford  
M5 2QP

SUMMARY OF CHARITABLE ACTIVITIES

**Mission Statement**

To help those disadvantaged and living in the Borough of Rochdale.

- By providing free, independent, high quality legal advice and representation.
- By undertaking training, public education work, campaigning and by working on a strategic level with relevant partners.
- By challenging discrimination of all kinds.

The Trustees believe that the above clearly demonstrates the concept of "public benefit", as specified in Section 4 Charities Act 2011.

**ANNUAL REPORT OF THE TRUSTEES AND DIRECTORS  
FOR THE YEAR ENDED MARCH 31, 2017**

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The Directors, who are the Trustees of the Charity, present their report and the unaudited financial statements of the charity for the year ended March 31, 2017. The 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 (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) applicable in the UK and Republic of Ireland (effective 1st January 2015).

**Structure, Governance and Management**

Rochdale Law Centre is a private company (limited by guarantee - No. 2584471) and is a registered charity (No. 1066740). The Company does not have a share capital. In the event of the Company being wound up the Members are committed to contributing £1 each. All Directors are Members of the Company. The membership list comprises approximately 50 names and addresses at March 31, 2017.

The governing document is set out in a Memorandum and Articles of Association. An Annual General Meeting is held once a year where half of the members of the Management Committee are up for election - the other half the following year to ensure continuity. Members of the Law Centre can nominate and elect people to the Management Committee. The Management Committee normally meets once a month. New Committee members are given an induction which includes relevant policies agreed by the Law Centre. Training opportunities are also offered to all committee members. The Management Committee deals with strategic decisions affecting the Law Centre and decides on salaries, recruitment, etc. The day to day running of the Law Centre is left to the staff team, which produces a written report prior to each Management Committee meeting.

The Management Committee has conducted its own review of the major risks to which the Charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of a strategic plan, which will allow for the diversification of funding in the different areas of legal casework and advice. Internal risks are minimised by the implementation of procedures for authorisation of all significant transactions and to ensure consistent quality of delivery for all operational aspects of the Charity. These procedures are reviewed from time to time to ensure that they still meet the Charity's objectives.

**Objectives and Activities**

The principal charitable objectives for which the Company was established as defined in the Memorandum of Association are reproduced here:

- to establish a legal service in the area of Rochdale Metropolitan Borough Council for the charitable purposes of relieving poverty and distress,
- to advance education amongst persons resident or working within the designated area,
- to advance other charitable purposes as are beneficial to the community including support and assistance to community groups for persons resident or working in the designated area,
- to undertake legal research for the benefit of persons resident or working in the designated area.

To achieve these objects the Company provides free and confidential legal advice to groups and individuals resident or working in the Borough of Rochdale ("the designated area"). The Law Centre may occasionally obtain funding for work in a larger geographical area.

For the current financial year the objectives included bidding for contracts in the Legal Aid tender round for publicly funded work. Grant applications were made to a wide variety of charities, foundations, Big Lottery, etc. to achieve the necessary funding.



**ANNUAL REPORT OF THE TRUSTEES AND DIRECTORS  
FOR THE YEAR ENDED MARCH 31, 2017**

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**Strategic Report**

**Financial Review**

The company received no further financial support from Rochdale Council. The Law Centre continued to receive funding under the terms of its contracts with the Legal Aid Agency in its two main areas of work, Housing and Asylum and Immigration. The company also continued its contract with the Legal Aid Agency to deliver the Housing Possession Court Duty Solicitor scheme based at Oldham County Court. The contract was initially for three years to March 31, 2016 but was extended to July 2017.

The company continued to work on a project funded by the AB Trust to provide immigration advice to women prisoners detained at Styal Prison.

The company received grants towards its core work from the North West Legal Support Trust and the Access to Justice Fund and continued to carry out a small amount of work on Refugee Family Re-union in partnership with the Red Cross.

The management committee reviewed its policy regarding unrestricted net assets and determined that due to the substantial loss of council income and reduction in legal aid contracts it was necessary to utilise part of the unrestricted net assets to preserve a level of service. The management committee determined that in the current circumstances, the unrestricted net assets should equate to approximately three months of overhead expenditure. The management committee would monitor the situation and support the staff in seeking alternative funding streams. The current unrestricted net assets achieve the parameters designated by the management committee based on projected expenditures.

**Members of the Board of directors**

The Directors who served during the year together with any changes are listed on page one of the Annual Report and are collectively known as the Management Committee.

The Directors are elected at each Annual General Meeting and hold office for up to two years from the end of the meeting at which they are elected. One half of the elected Directors retire from office at each Annual General Meeting but these Directors are eligible for re-election thereafter.

The Directors have no beneficial interest in the Company and are not remunerated for any of the services they provide as Directors of the Company.

ROCHDALE LAW CENTRE  
(a company Limited by Guarantee)

5

ANNUAL REPORT OF THE TRUSTEES AND DIRECTORS  
FOR THE YEAR ENDED MARCH 31, 2017  
cont .....

**Independent Examiner**

A. Brooks will be considered for re-appointment at the forthcoming Annual General Meeting.

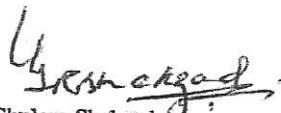
**Observers**

In their capacity as "non-voting observers" representatives of the major funding body are entitled to attend meetings of the Management Committee.

**Events since the year end**

There have been no significant events since the year ended.

The Directors approved this report on December 21, 2017 and signed on its behalf by:

  
Ghulam Shahzad  
Chair

Member of the Board of Directors

I report on the financial statements of the company for the year ended March 31, 2017 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes).

### **Respective responsibilities of directors and examiner**

The directors are responsible for the preparation of the financial statements. The directors 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.

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

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

### **Basis of independent examiner's 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 directors concerning 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, I have noted that due to continued deficits arising on funds, that the charity is experiencing difficulty in guaranteeing a level of funding sufficient to cover the costs of operating the charity (Note 17). Otherwise in connection with my examination no matter has come to my attention:

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

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice; Accounting and Reporting by Charities

have not been met; or

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



Mr Alan Brooks  
Independent Examiner

County End Business Centre  
Jackson Street  
Springhead  
Oldham  
OL4 4TZ

December 21, 2017



**ROCHDALE LAW CENTRE**  
(a company limited by guarantee)

7

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

				<u>2017</u>	<u>2016</u>
		<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>Total</u>
		<u>funds</u>	<u>funds</u>	<u>funds</u>	<u>funds</u>
<u>Notes</u>		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Investment income</b>		-	-	-	27
<b>Incoming resources from charitable activities</b>	4	141,383	1,063	142,446	168,870
<b>Total incoming resources</b>		<u>141,383</u>	<u>1,063</u>	<u>142,446</u>	<u>168,897</u>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Costs of generating charitable activities income	5	178,482	6,063	184,545	188,356
Governance costs	6	1,379	-	1,379	3,584
<b>Total resources expended</b>		<u>179,861</u>	<u>6,063</u>	<u>185,924</u>	<u>191,940</u>
Revaluation of Freehold property		<u>140,544</u>	<u>-</u>	<u>140,544</u>	<u>-</u>
Net (deficit)/surplus	8	102,066	(5,000)	97,066	(23,043)
Total funds brought forward		<u>166,671</u>	<u>5,000</u>	<u>171,671</u>	<u>194,714</u>
Total funds carried forward	14	<u>£ 268,737</u>	<u>£ -</u>	<u>£ 268,737</u>	<u>£ 171,671</u>

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

The £268,737 funds are designated for specific purposes and detailed in note 14 to the financial statements.

The notes on pages 9 to 18 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AT MARCH 31, 2017

	Notes	£	2017 £	2016 £
<b>Fixed assets</b>				
Tangible assets	11		253,458	112,468
<b>Current assets</b>				
Debtors	12	19,100		26,500
Cash at bank and in hand		<u>10,851</u>		<u>47,801</u>
		29,951		74,301
<b>Creditors: amounts falling due within one year</b>	13	<u>(14,672)</u>		<u>(15,098)</u>
<b>Net current assets</b>			15,279	59,203
<b>Net assets</b>			£ 268,737	£ 171,671
<b>Funds</b>				
Restricted funds	14		-	5,000
Unrestricted funds	14		268,737	166,671
<b>Total funds</b>			£ 268,737	£ 171,671

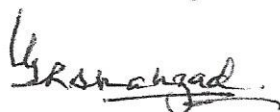
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

For the year ended 31 March, 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the members of the committee and authorised for issue on December 21, 2017 and are signed on their behalf by:-



Ghulam Shahzad  
Chair

Company Registration Number 02584471

The notes on pages 9 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

**1. General Information**

The company is a private company limited by guarantee, the guarantors of the company are the members whose liability in respect of the guarantee, as set out in the Articles of Association, is restricted to £1 per guarantor.

**2. Statement of Compliance**

These financial statements have been prepared in compliance with FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)(Charities SORP (FRS102)) and the Charities Act 2011.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of certain financial assets measured at fair value through profit or loss.

The financial statements are prepared in sterling which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue (see note 18).

**Transition to FRS102**

The entity transitioned from previous UK GAAP to FRS102 as at 1 April 2015. Details of how FRS102 has affected the reported financial position and financial performance is given in note 19.

**Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Fund accounting**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the funder service agreement or funding documentation.

Unrestricted income funds comprise those funds which the directors are free to use for any purpose in furtherance of the charitable objects.

**Income recognition**

All income is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on invested funds is included upon notification of the interest paid or payable by the Investment Fund.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

**3. Accounting policies - contd.**

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

**Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**Allocation of support and governance costs**

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination of the accounts and legal fees. The directors ensure all governance costs are paid from unrestricted funds.

All governance and support costs relate to charitable activities and are allocated to restricted and unrestricted funds based on their nature and the operation of the funds.

**Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

All assets purchased from general funds costing more than £1,000 are capitalised and valued at historical cost with the exception of computer equipment and software which is treated as revenue cost. Assets purchased as part of a fund activity are recognised as a cost of the fund.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

**3. Accounting policies - contd.**

**Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	25% straight line
Fixtures and Fittings	15% reducing line balance

Freehold buildings have been depreciated at 1% (straight line basis). In this and subsequent years the property valuation will be considered annually.

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**Pensions**

Employees of the charity are entitled to join a defined contribution pension scheme. There were no outstanding contributions at the year end. The employer costs of the defined contribution schemes are included within the support costs.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

4. Incoming resources from charitable activities

	2017 Unrestricted £	2017 Restricted £	2016 Total £
Grants and contracts			
Legal Services Commission contract	71,962	-	72,002
ASTF Grant	-	-	22,394
AB Charitable Trust	-	-	10,000
Access to Justice Foundation	-	-	10,000
Red Cross Grant	-	1,063	2,186
Oldham Duty Scheme	18,143	-	17,901
North West Legal Support Trust	-	-	5,404
Rochdale Legal Enterprise	26,621	-	17,767
Fees	21,781	-	10,216
Other income	2,876	-	-
	<u>£ 141,383</u>	<u>£ 1,063</u>	<u>£ 168,870</u>
Restricted			34,580
Unrestricted			134,290

5. Resources expended

The resources expended from all sources are:-

	Staff costs £	Casework costs £	Other costs £	2017 Total £	2016 Total £
<u>Unrestricted Funds</u>					
Casework and legal advice	133,888	-	20,906	154,794	136,458
Support costs	20,662	-	3,026	23,688	22,318
	<u>£ 154,550</u>	<u>£ -</u>	<u>£ 23,932</u>	<u>£ 178,482</u>	<u>£ 158,776</u>
<u>Restricted Funds</u>					
Casework and legal advice	£ 5,870	£ -	£ 193	£ 6,063	£ 29,580
	<u>£ 160,420</u>	<u>£ -</u>	<u>£ 24,125</u>	<u>£ 184,545</u>	
Total 2016	<u>£ 154,471</u>	<u>£ 7,294</u>	<u>£ 26,591</u>		<u>£ 188,356</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

5. Resources expended - contd...

Other costs

Other costs have been allocated in accordance with accounting policies as follows:-

	<u>Direct costs</u>	<u>Allocated costs</u>	<u>2017 Total</u>	<u>2016 Total</u>
	£	£	£	£
Casework and legal advice	5,269	15,830	21,099	24,008
Support costs	680	2,346	3,026	2,583
	<u>£ 5,949</u>	<u>£ 18,176</u>	<u>£ 24,125</u>	
Total 2016	<u>£ 8,566</u>	<u>£ 18,025</u>		<u>£ 26,591</u>

Other costs comprise:

	<u>2017</u>	<u>2016</u>
Direct costs	£	£
Casework and legal advice		
Books and subscriptions	1,167	3,743
Travel and subsistence	367	321
Training and conferences	776	1,483
Professional indemnity insurance	1,533	1,484
Practising certificates	1,426	703
	<u>5,269</u>	<u>7,734</u>
Management and administration		
Bookkeeping and payroll services	627	782
Bank charges	53	50
	<u>680</u>	<u>832</u>
Total	<u>£ 5,949</u>	<u>£ 8,566</u>

**ROCHDALE LAW CENTRE**  
(a company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

**5. Resources expended - contd...**

**Other costs comprise - contd..**

**Allocated costs**

	Casework and <u>Legal advice</u>	Support <u>Costs</u>	2017 <u>Total</u>	2016 <u>Total</u>
	£	£	£	£
Insurance	1,366	202	1,568	1,454
Heat, light, water cleaning	2,465	366	2,831	3,810
Repairs and consumables	657	98	755	235
Computer costs	2,064	306	2,370	3,806
Postage and telephone	3,503	519	4,022	4,158
Printing and stationery	2,132	316	2,448	2,381
Office expenses	71	10	81	63
Depreciation	3,520	521	4,041	2,118
Draughtsmen costs	52	8	60	-
	<u>£ 15,830</u>	<u>£ 2,346</u>	<u>£ 18,176</u>	<u>£ 18,025</u>

**6. Governance costs**

	2017 <u>Total</u>	2016 <u>Total</u>
	£	£
Accountancy fees	1,379	2,500
AGM expenses	-	34
SQM audit	-	1,050
	<u>£ 1,379</u>	<u>£ 3,584</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

7. Staff costs and numbers

	<u>2017</u>	<u>2016</u>
	£	£
Staff costs were as follows:-		
Salaries	129,638	126,901
Redundancy costs	1,617	-
Pension costs	20,662	20,434
Social Security costs	8,503	7,136
	<u>£ 160,420</u>	<u>£ 154,471</u>

The Company operates two defined pension contribution schemes.

The average weekly number of employees during the year, calculated on the basis of full time equivalents was as follows:-

	<u>2017</u>	<u>2016</u>
Casework and legal advice	5	7
Management and administration	1	1
	<u>6</u>	<u>8</u>

No employee received emoluments of more than £60,000.

8. Results for the year

Net incoming resources are stated after:-

	<u>2017</u>	<u>2016</u>
	£	£
Accountancy services	1,200	-
Accountants remuneration for audit work	-	2,500
Accountants remuneration for Law Society reports	280	280
Depreciation of tangible assets	4,041	2,118
Management Committee's remuneration	-	-
Management Committee's expenses reimbursed	-	-

9. Taxation

The Charity claims annual exemptions from UK Corporation Tax on its activities under Section 505 ICTA 1988.

No provision is considered necessary for deferred taxation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

10. Client account balances

In common with firms of solicitors the Law Centre occasionally holds funds on behalf of clients. These funds are held in trust in a separate client account as follows:-

	<u>2017</u>	<u>2016</u>
	£	£
Cash at bank	23,721	25,671
Payable to clients	(23,721)	(25,671)

11. Tangible assets

	<u>Freehold land and buildings</u>	<u>Office equipment</u>	<u>Furniture fixtures and fittings</u>	<u>Total</u>
	£	£	£	£
<b>Cost</b>				
At April 1, 2016	123,852	29,519	32,365	185,736
Addition	-	4,487	-	4,487
Revaluation	126,148	-	-	126,148
At March 31, 2017	<u>250,000</u>	<u>34,006</u>	<u>32,365</u>	<u>316,371</u>
<b>Depreciation</b>				
At April 1, 2016	13,130	28,044	32,094	73,268
Charge for the year	1,266	2,505	270	4,041
Revaluation	(14,396)	-	-	(14,396)
At March 31, 2017	<u>-</u>	<u>30,549</u>	<u>32,364</u>	<u>62,913</u>
<b>Net book value</b>				
At March 31, 2017	<u>£ 250,000</u>	<u>£ 3,457</u>	<u>£ 1</u>	<u>£ 253,458</u>
At March 31, 2016	<u>£ 110,722</u>	<u>£ 1,475</u>	<u>£ 271</u>	<u>£ 112,468</u>

The net book values at March 31, 2017 represent assets which are held for providing all the services undertaken by the charity.

The Board of Directors have, as required by FRS102, reviewed the value of the freehold land and buildings at March 31, 2017. This review confirmed their understanding that the value to be incorporated in the financial statements is £250,000.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

12. Debtors

	<u>2017</u>	<u>2016</u>
	£	£
<b>Due within one year:</b>		
Grants, contract and fee income	14,370	21,253
Disbursement and training fees recoverable	1,780	-
Prepayments	969	1,162
Amount due from Rochdale C.I.C.	1,981	4,085
	<u>£ 19,100</u>	<u>£ 26,500</u>

13. Creditors: amounts falling due within one year

	<u>2017</u>	<u>2016</u>
	£	£
Social security and other taxes	6,423	3,436
Pension scheme	2,187	2,388
Accruals	6,062	9,274
	<u>£ 14,672</u>	<u>£ 15,098</u>

14. Movements in funds

	<u>At April 1 2017</u>	<u>Incoming resources</u>	<u>Outgoing resources</u>	<u>Revaluation and Transfer</u>	<u>At March 31 2017</u>
	£	£	£	£	£
<b>Unrestricted funds</b>					
Continuity fund	126,970	141,383	(179,861)	140,315	228,737
Redundancy	39,701			229	40,000
<b>Restricted funds</b>					
Various (see note 4)	5,000	1,063	(6,063)		-
<b>Total funds</b>	<u>£ 171,671</u>	<u>£ 142,446</u>	<u>£ (185,924)</u>	<u>£ 140,544</u>	<u>£ 268,737</u>

The continuity fund is the reserves that the charity has achieved towards the Management Committee's policy outlined in the Financial Review on page 4.

The restricted fund at March 31, 2016 related to the AB Charitable Trust.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017

15. Analysis of net assets between funds

	Unrestricted funds	Total funds
	£	£
Fund balances at March 31, 2017 are represented by:		
Tangible fixed assets	253,458	253,458
Current assets	29,951	28,960
Current liabilities	(14,672)	(14,672)
	<u>£ 268,737</u>	<u>£ 267,746</u>

16. Related party transactions

The company has income of £26,621 (2016 : £17,767) from Rochdale Legal Enterprise CIC during the year.

17. Capital commitments and contingent liabilities

There were no capital commitments at the balance sheet date.

There were no contingent liabilities.

18. Going concern

As a result of reduction in funding available to the Law Centre a deficit of £23,043 was incurred in the year ended March 31, 2016. In the current year a further deficit of £38,478 (excluding the revaluation of freehold property) has been incurred. It is proving to be extremely difficult to guarantee a level of funding sufficient to cover the necessary costs of operating the Law Centre in the period to March 31, 2018. As a result of this there is a doubt concerning the company's ability to remain a going concern.

19. Transition to FRS102

These are the first financial statements that comply with FRS102. The company transitioned to FRS102 on April 1, 2015.

No transitional adjustments were required in equity or profit and loss for the year.



**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED MARCH 31, 2017**

	<u>2017</u> £	<u>2016</u> £
<b>Income</b>		
Legal services commission	71,962	72,002
Red Cross Grant	1,063	2,186
ASTF Grant	-	22,394
Oldham Duty Scheme	18,143	17,901
Rochdale Legal Enterprise	26,621	17,767
Access to Justice	-	10,000
AB Charitable Trust	-	10,000
Other income	2,876	1,000
North West Legal Support Trust	-	5,404
Fees	21,781	10,216
Investment income	-	27
Total income	<u>142,446</u>	<u>168,897</u>
<b>Expenditure</b>		
Salaries and wages	129,638	126,901
Pension scheme contributions	20,662	20,434
Social Security costs	8,503	7,136
Redundancy costs	<u>1,617</u>	-
	160,420	154,471
Non recoverable disbursements	-	<u>7,294</u>
Books and subscriptions	1,167	3,743
Travel and subsistence	367	321
Training and conferences	776	1,483
Professional indemnity insurance	1,533	1,484
Practising certificates	<u>1,426</u>	703
	5,269	<u>7,734</u>
Bookkeeping and payroll services	627	782
Bank charges	<u>53</u>	50
	680	<u>832</u>
Insurance	1,568	1,454
Heat, light, water and cleaning	2,831	3,810
Repairs and consumables	755	235
Computer costs	2,370	3,806
Postage and telephone	4,022	4,158
Printing and stationery	2,448	2,381
Office expenses	81	63
Depreciation	4,041	2,118
Draughtsmen costs	<u>60</u>	-
	18,176	<u>18,025</u>
Accountancy and audit fees	1,379	2,500
AGM and committee expenses	-	34
SQM audit	-	1,050
	<u>1,379</u>	<u>3,584</u>
<b>Total expenditure</b>	<u>185,924</u>	<u>191,940</u>
<b>Deficit for the year</b>	<u>£(43,478)</u>	<u>£(23,043)</u>

This page does not form part of the financial statements.